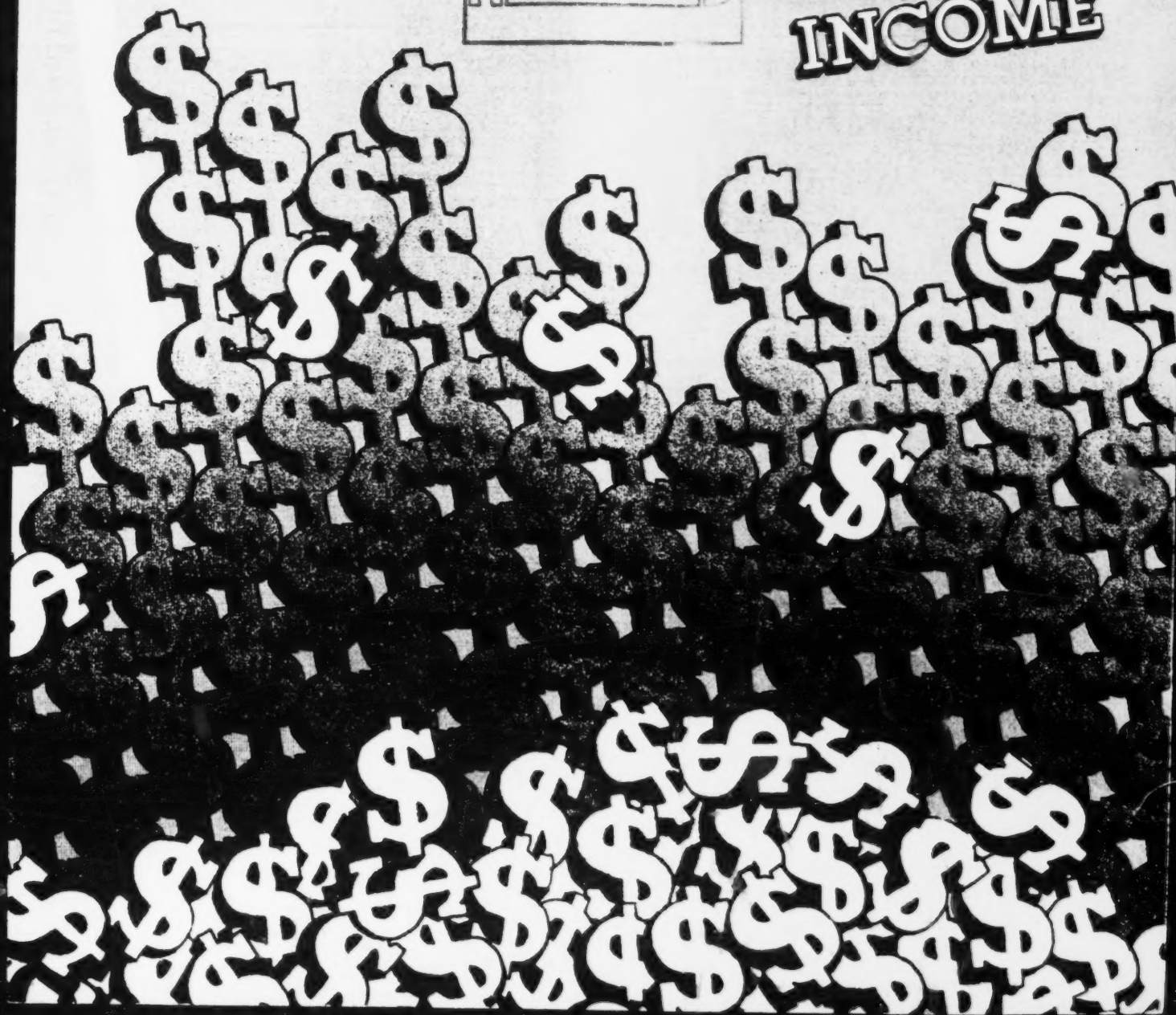
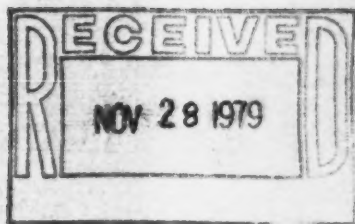


**FLORIDA
PERSONAL
INCOME**



BUSINESS & ECONOMIC Dimension

Fall, 1979
Vol. 15, No. 3

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introgram

Amid fears of recession, continued concern over inflation, and the charges and countercharges emanating from the incipient presidential campaign, a sober look at the economic picture in Florida may be reassuring. Once again *DIMENSIONS* presents the data on personal income in Florida prepared each year by the U. S. Bureau of Economic Analysis.

In the first article the long-run trends in the state are analyzed and compared with similar trends in other states. Sources of income are examined and the experiences of small areas within Florida are looked at. In the second article the impact of inflation is developed and the relative strength of Florida vis-a-vis the rest of the country is emphasized. Finally, as is so important in a state full of retirees, the role of transfer payments is discussed.

The numerous tables of information provide readers with data they may need to investigate the specific phases of the subject of greatest interest. Readers should be aware that the U. S. Bureau of Economic Analysis continually revises the personal income estimates. Data such as those from various censuses, from the Internal Revenue Service, and from unemployment insurance programs are incorporated into the estimates to provide improvements in the quality of the figures. These revisions are usually not significant enough to affect the trends which the data show. In addition to this analysis in *DIMENSIONS*, the Bureau of Economic and Business Research publishes updates of income data occasionally in *Economic Leaflets*. Readers wishing to receive *Economic Leaflets* may write and ask to be included on the mailing list. Subscriptions are free to Florida residents, \$5.00 to out-of-state residents.

Next quarter, *DIMENSIONS* will be devoted to some of the economic aspects of environmental protection in the state.

Ralph B. Thompson



Florida Personal Income Reaches Alltime High

P. C. Padmanabhan

Graduate Assistant
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As Florida follows the nation into its seventh postwar recession, it looks back on several years of healthy growth in personal income in both real and absolute terms.

Brisk expansion of the state's economy is only now beginning to level off as Florida exhibits its usual delayed reaction to national economic fluctuations.

Personal income has continued to grow in absolute terms, but July's real gross average weekly earnings were 3.9 percent lower than they were a year ago, according to *The Florida Outlook* for the third quarter.

Through 1978, however, Florida's personal-income performance was good, as analysis of the most recent data from the U.S. Department of Commerce Bureau of Economic Analysis reveals.

From 1975 to 1978, total personal income in the state grew 38.3 percent while that in the United States increased 36.4 percent. Florida still ranks ninth in the nation, however, as it has since 1970. It has been the eighth largest state in population since 1973.

In 1978 alone, Florida's personal income grew 13.9 percent, the second highest rate among the big-ten (most populous) and the southeastern states. The national increase was 12.0 percent. Population increased 2.9 percent in Florida and 0.7 percent in the United States. Comparatively, in 1977 Florida's personal income increased 10.8 percent and population grew 1.9 percent. Observers of the Florida economy expect moderate growth to continue through 1979, with a decline in 1980 and 1981 as growth slows due to the effects of recession.

In absolute dollars, total personal income in Florida in 1978 reached an alltime high of

\$64 billion, 3.79 percent of national income compared to 0.88 percent in 1929. (See Table 1) Despite these increases, Florida's per capita income still trails the national average. During 1978, Florida residents received only 96.1 percent of the national average of \$7,810 in per capita income and the state ranked twenty-seventh in the nation, up a notch from its 1976 and 1977 ranks, but down from its rank of twenty-sixth in 1974 and 1975.

In analyzing per capita income, it is important to remember that it is a ratio of the total personal income of residents to resident pop-

Table 1.—Personal income in Florida, total and per capita, as percentages of U.S. personal income

Year	Personal income (FL ÷ U.S.)	Per capita income (FL ÷ U.S.)
1929	0.88	74.5
1940	1.24	85.6
1950	1.59	85.6
1956	2.11	87.2
1960*	2.48	89.3
1965	2.70	87.6
1970	3.19	95.0
1971	3.33	97.0
1972	3.52	99.3
1973	3.69	99.9
1974	3.77	98.3
1975	3.74	96.1
1976	3.71	95.4
1977	3.72	95.3
1978	3.79	96.1

*Data from 1960 forward have been revised to new national controls.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

ulation and can therefore be affected by changes in numerator, denominator, or both. Personal income may increase strongly, but if population grows at a faster rate, per capita income will fall. Similarly, personal income might rise slowly, but net outmigration will produce a rise in per capita income. Moreover, since population is measured at the midyear and income is measured as a flow over the year, a significant change in population, particularly around midyear, may distort the per capita figures. Per capita income is also affected by the immigration of the elderly whose personal income levels are not necessarily high, but who may bring large stocks of wealth. Both personal-income and population growth may slow in Florida during a recession; thus the net effect on per capita income is dependent upon the relative change of its components.

Florida, big-ten and the Southeast

Because of differences in industrial composition, it is difficult to compare Florida with the nine other most populous states, referred to hereafter as the big-ten states. Most of these, unlike Florida, have a well balanced industrial mix and more stabilized income-growth patterns. In 1978, Florida tied for second place with California among big-ten states in personal-income growth. Texas, with 14.3 percent, was the fastest growing state (see Table 2). However, when per capita income is used as a basis for comparison, the disparity between Florida and the other big-ten states becomes obvious (see Figure 1). California, with 113 percent of the national average, had the highest per capita income. Six other big-ten states also recorded per capita income greater than the national average.

In the Southeast, Florida accounts for 19.4 percent of the region's income. During 1978, personal-income growth in nine southeastern states exceeded the national average, with Mississippi being the fastest growing state (see Table 2). Per capita income growth in the Southeast as a whole was 11.5 percent, 0.3 percentage points more than the national average.

Though the rate of growth in the Southeast has been the highest in the nation in absolute terms, the Southeast still lags behind

Figure 1.—Per capita personal income in the big-ten states as percentages of the national average, 1978

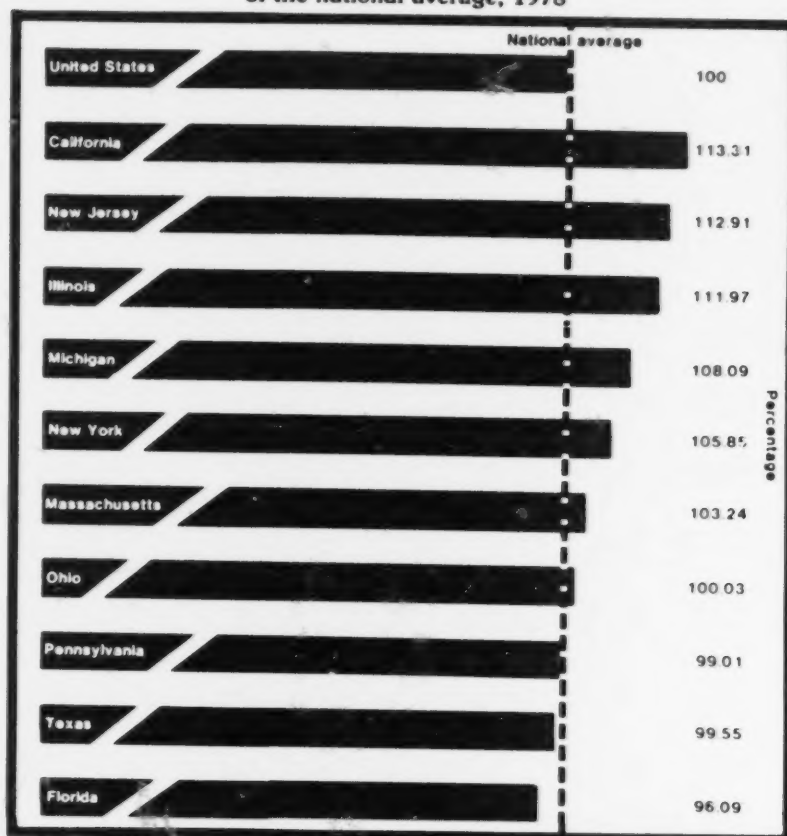


Figure 2.—Per capita personal income in the Bureau of Economic Analysis regions as percentages of the national average, 1978

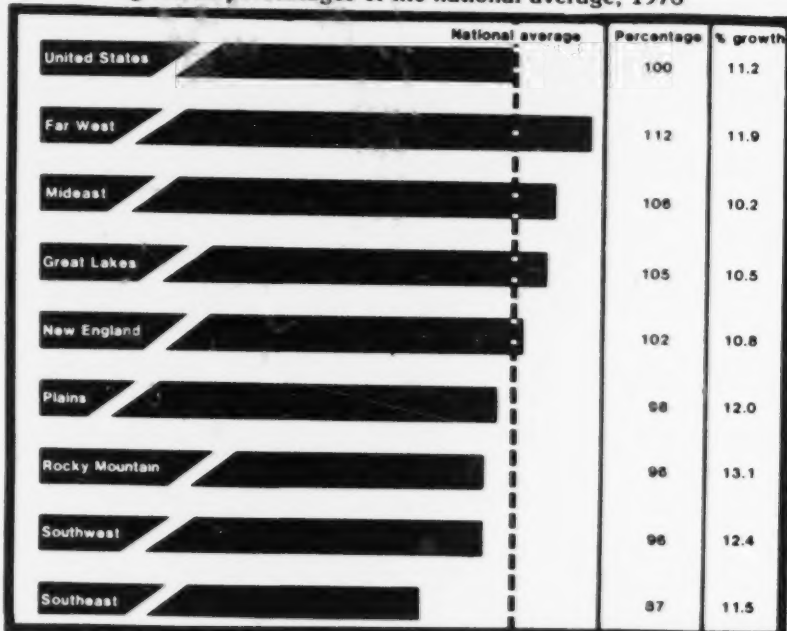
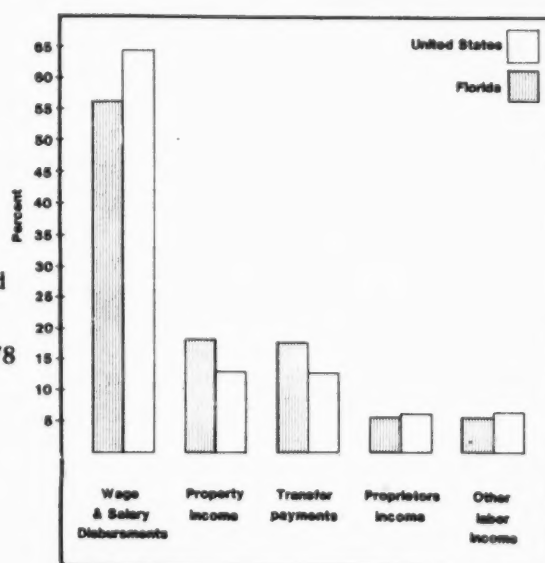


Table 2.—Total personal and per capita income and percentage changes in Florida, the Sunbelt states, other populous states and the United States, 1976, 1977, 1978

	Total personal income						Per capita income					
	Amount (in millions of dollars)			Percentage change			Amount (in dollars)			Percentage change		
	1976	1977	1978	1976 -77	1977 -78	1976 -78	1976	1977	1978	1976 -77	1977 -78	1976 -78
Sunbelt states												
Florida	50,960	56,603	64,495	11.0	13.9	26.6	6,101	6,697	7,505	9.8	12.1	23.0
Alabama	18,732	20,785	23,375	11.0	12.5	24.8	5,128	5,633	6,247	9.8	10.9	21.8
Arizona	13,339	14,969	17,357	12.2	16.0	30.1	5,931	6,520	7,374	9.9	13.1	24.3
Arkansas	10,477	11,839	13,516	13.0	14.2	29.0	4,949	5,522	6,183	11.6	12.0	24.9
California	155,369	173,171	197,309	11.5	13.9	27.0	7,219	7,909	8,850	9.6	11.9	22.5
Georgia	27,462	30,298	34,062	10.3	12.4	24.0	5,511	6,002	6,700	8.9	11.6	21.6
Louisiana	20,719	23,176	26,333	11.9	13.6	27.1	5,347	5,910	6,640	10.5	12.4	24.2
Mississippi	10,735	12,011	13,786	11.9	14.8	28.4	4,538	5,027	5,736	10.8	14.1	26.4
New Mexico	6,195	6,957	7,885	12.3	13.3	27.3	5,285	5,846	6,505	10.6	11.3	23.1
North Carolina	29,862	32,687	36,850	9.5	12.7	23.4	5,467	5,916	6,607	8.2	11.7	20.9
Oklahoma	15,789	17,621	20,021	11.6	13.6	26.8	5,700	6,269	6,951	10.0	10.9	21.9
South Carolina	14,766	16,216	18,213	9.8	12.3	23.3	5,191	5,639	6,242	8.6	10.7	20.2
Tennessee	22,410	24,940	28,274	11.3	13.4	26.2	5,293	5,801	6,489	9.6	11.9	22.6
Texas	77,588	87,593	100,162	12.9	14.3	29.1	6,158	6,827	7,697	10.9	12.7	25.0
Virginia	31,904	35,126	39,247	10.1	11.7	23.0	6,315	6,841	7,624	8.3	11.4	20.7
West Virginia	10,033	11,153	12,005	11.2	7.6	19.7	5,476	5,998	6,456	9.5	7.6	17.9
Other populous states												
Illinois	81,824	89,404	98,315	9.3	10.0	20.2	7,310	7,951	8,745	8.8	10.0	19.6
Indiana	33,237	36,894	41,361	11.0	12.1	24.4	6,256	6,922	7,696	10.6	11.2	23.0
Massachusetts	38,377	41,988	46,553	9.4	10.9	21.3	6,627	7,262	8,063	9.6	11.0	21.7
Michigan	61,653	69,438	77,571	12.6	11.7	25.8	6,766	7,606	8,442	12.4	11.0	24.8
New Jersey	53,699	58,561	64,613	9.1	10.3	20.3	7,298	7,969	8,818	9.2	10.7	20.8
New York	125,089	134,762	146,719	7.7	8.9	17.3	6,929	7,519	8,267	8.5	9.9	19.3
Ohio	68,365	75,871	83,973	11.0	10.7	22.8	6,395	7,090	7,812	10.9	10.2	22.2
Pennsylvania	75,529	82,508	90,866	9.2	10.1	20.3	6,339	7,001	7,733	10.4	10.5	22.0
United States	1,373,153	1,519,893	1,702,860	10.7	12.0	24.0	6,396	7,026	7,810	9.8	11.2	22.1

Source: U.S. Department of Commerce, Bureau of Economic Analysis, unpublished data, released by the Bureau of Economic and Business Research, University of Florida.

Figure 3.—Personal income by major sources in Florida and the United States, 1978



other regions in comparative well-being. Its per capita income was 13 percent below the national average and lowest among eight Bureau of Economic Analysis (BEA) regions (see Figure 2). All states in the Southeast also had per capita incomes much lower than the national figure.

While the South in general has not yet achieved the economic well-being of other regions, it is growing more and more to resemble the rest of the nation. In recent years, the growth of labor and proprietors' income in the South was well above the national increase in manufacturing and most private service-type industries. Indeed, if the trend of the past decade continues, several southern states including Florida should have above-average per capita incomes well before the end of the century.

Florida's industries

Although per capita income is a useful aggregate measure of economic welfare, it provides no direct information about changes in industrial structure and the effects of these changes on income. To shed light on the causes of low per capita income in Florida, it is useful to consider the industrial sources of personal income.

Table 3 shows the composition of personal income in Florida and the United States. The data illustrate some major differences in the Florida economy. Nonwage components, particularly property income and transfer payments, are more prominent in Florida than in the U. S. (see Figure 3). This is a reflection of the large infusion of

retirement-age population which has characterized Florida's growth over the past decade.

Wages and salaries by sector

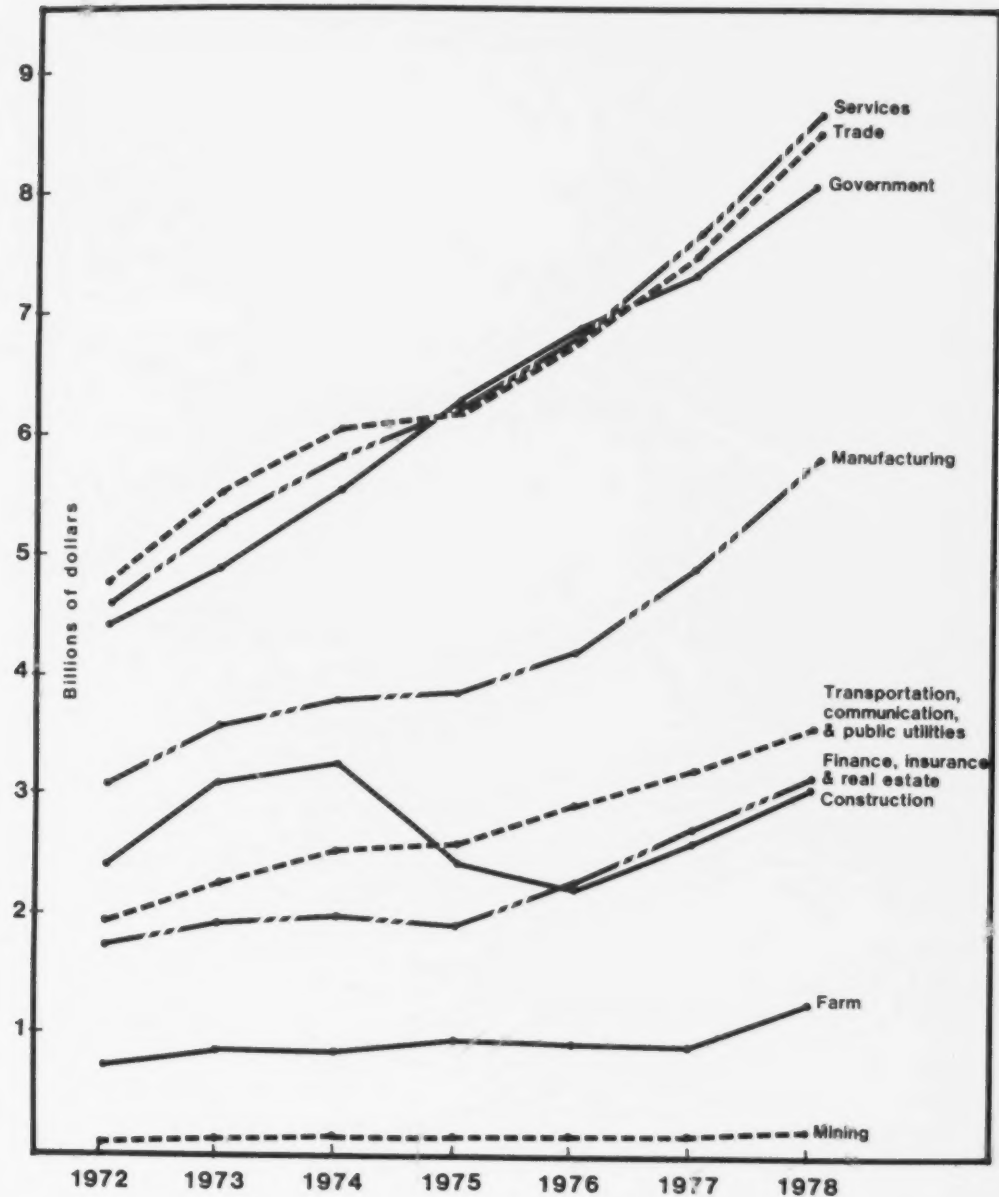
The composition of wage and salary income in Florida has changed over the last decade, reflecting changes in the profile of the state's economy. Figure 4 shows that prior to 1974 most industries had fairly steady growth. From 1974 to 1975, due to the effects of recession, all sectors grew less than expected, with sharp declines in construction and manufacturing. Consequently, during this period salaries declined to about 56 percent of total personal income and remained the same until 1978. From 1966 to

Table 3.—Personal income by major source in Florida, 1976, 1977, 1978

	Amount (in millions of dollars)			Percentage change			Percentage of total			
	1976	1977	1978	1976 -77	1977 -78	1978 -78	Florida			U.S.
							1976	1977	1978	1978
Total labor and proprietors income	33,774	37,607	43,338	11.3	15.2	28.3	---	---	---	---
By type										
Wage and salary disbursements	28,640	31,749	36,165	10.8	13.9	26.3	84.8	84.4	83.5	84.3
Other labor income	2,347	2,776	3,305	18.3	19.1	40.8	6.9	7.4	7.6	7.4
Proprietors income	2,787	3,082	3,868	10.6	25.5	38.8	8.3	8.2	8.9	8.3
Farm	559	505	937	-9.7	85.5	67.6	1.7	1.3	2.2	1.6
Nonfarm	2,228	2,577	2,931	15.7	13.7	31.5	6.6	6.9	6.7	6.7
By industry										
Farm	922	92	1,389	-1.1	52.3	50.6	2.7	2.4	3.2	2.3
Nonfarm	32,852	36,695	41,949	11.7	14.3	27.7	97.3	97.6	96.8	97.7
Private	26,040	29,299	33,817	12.5	15.4	29.9	77.1	77.9	78.0	80.0
Ag. ser., forestry & fisheries, & misc. industries	282	310	361	9.9	16.4	28.0	0.8	0.8	0.8	0.4
Mining	133	135	163	1.5	20.7	22.6	0.4	0.4	0.4	1.5
Construction	2,302	2,604	3,186	13.1	22.3	38.4	6.8	6.9	7.4	5.8
Manufacturing	4,309	4,986	5,921	15.7	18.8	37.4	12.8	13.3	13.7	25.9
Nondurable goods	1,990	2,201	2,489	10.6	13.1	25.1	5.9	5.9	5.8	9.5
Durable goods	2,318	2,784	3,432	20.1	23.3	48.1	6.7	7.4	7.9	16.4
Transportation and public utilities	2,947	3,321	3,634	12.7	9.4	23.3	8.7	8.8	8.4	7.5
Wholesale trade	2,302	2,516	2,879	9.3	14.4	25.1	6.8	6.7	6.6	6.7
Retail trade	4,557	5,025	5,693	10.3	13.3	24.9	13.5	13.4	13.1	10.2
Finance, insurance, and real estate	2,348	2,700	3,217	15.0	19.1	37.0	7.0	7.2	7.4	5.5
Services	6,861	7,703	8,763	12.3	13.8	27.7	20.3	20.5	20.2	16.5
Government and government enterprises	6,812	7,396	8,132	8.6	10.0	19.4	20.2	19.7	18.8	17.8
Federal, civilian	1,312	1,434	1,558	9.3	8.6	18.8	3.9	3.8	3.6	4.3
Federal, military	975	1,030	1,113	5.6	8.1	14.2	2.9	2.7	2.6	1.8
State and local	4,525	4,932	5,461	9.0	10.7	20.2	13.4	13.1	12.6	11.7

Source: U.S. Department of Commerce, Bureau of Economic Analysis, unpublished data, released by the Bureau of Economic and Business Research, University of Florida.

Figure 4.—Wage and salary income by major industry in Florida, 1972-77



1974 the share of wages and salaries was between 60 and 62 percent of personal income.

A comparison of the structure of the Florida economy and the U. S. economy as represented by wages and salaries in 1978 indicates marked differences (see Figure 5). Manufacturing represents 26.3 percent of wages and salaries for the U. S. compared to only 13.7 percent for Florida. The state has a higher share in all other industries except

mining. In terms of wages and salaries, services and trade are the largest industries in Florida, followed by the government sector.

During 1978 there was significant growth in both construction and manufacturing. From 1976 to 1978, construction and manufacturing grew by 38.4 percent and 37.4 percent respectively. This growth has continued in the last few quarters and has been largely responsible for Florida's booming economy and recent employment gains.

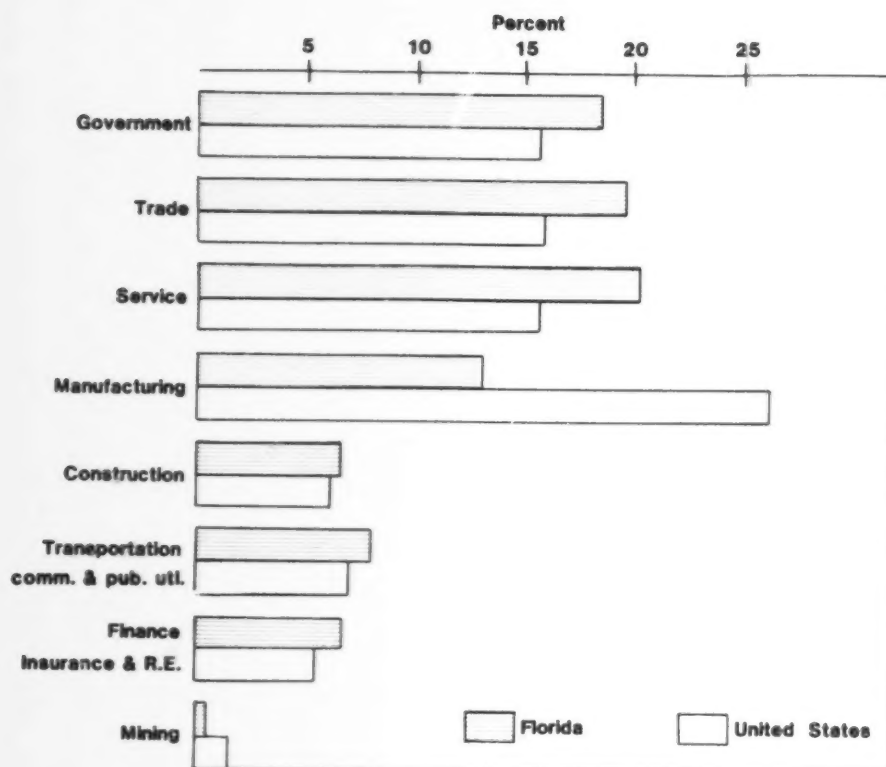


Figure 5.—Nonfarm wage and salary income by industry as percentages of total labor and proprietors' income in Florida and the United States, 1978

However, these sectors are sensitive to variations in the business cycle and are likely to decline in late 1979 due to recession.

Strong growth is forecast throughout 1979 in the trade, services, transportation,

communications, and public utility sectors. After a moderate decline in 1980, growth in these sectors is expected to continue in 1981.

The overall forecast for the wage and salary sector in Florida points toward consider-

Table 4.—Total personal and per capita income in Florida regional planning districts, 1975, 1976, 1977

	Total personal income						Per capita income					
	Amount (in millions of dollars)			Percentage change			Amount (in dollars)			Percentage change		
	1975	1976	1977	1975-76	1976-77	1977-78	1975	1976	1977	1975-76	1976-77	1977-78
Florida	46,646	50,960	56,603	9.2	11.1	21.3	5,635	6,101	6,697	8.3	9.8	18.8
District 1	1,733	1,867	2,062	7.7	10.4	19.0	4,635	4,943	5,449	6.6	10.2	17.6
District 2	1,644	1,809	1,958	10.0	8.2	19.1	4,315	4,684	5,014	8.6	7.0	16.2
District 3	1,142	1,224	1,343	7.2	9.7	17.6	4,537	4,838	5,240	6.6	8.3	15.5
District 4	3,998	4,368	4,783	9.3	9.5	19.6	5,429	5,884	6,400	8.4	8.8	17.9
District 5	828	914	1,029	10.4	12.6	24.3	4,158	4,439	4,856	6.8	9.4	16.8
District 6	5,907	6,508	7,205	10.2	10.7	22.0	5,330	5,829	6,367	9.4	9.2	19.5
District 7	1,809	1,914	2,118	5.8	10.7	17.1	4,980	5,221	5,748	4.8	10.1	15.4
District 8	7,986	8,703	9,639	9.0	10.8	20.7	5,414	5,847	6,401	8.0	9.5	18.2
District 9	2,658	2,950	3,346	11.0	13.4	25.9	6,051	6,564	7,206	8.5	9.8	19.1
District 10	3,910	4,295	4,809	9.8	12.4	23.5	6,338	6,842	7,518	8.0	9.9	18.6
District 11	15,029	16,408	18,251	9.2	11.5	21.7	6,444	7,016	7,767	8.9	10.7	20.5

Note: Detail may not add due to rounding.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, unpublished data, released by the Bureau of Economic and Business Research, University of Florida.

Table 5.—Total personal and per capita income and percentage changes for Florida SMSAs and nonSMSA areas, 1975, 1976, 1977

	Total personal income						Per capita income					
	Amount (in millions of dollars)			Percentage change			Amount (in dollars)			Percentage change		
	1975	1976	1977	1975 -76	1976 -77	1975 -77	1975	1976	1977	1975 -76	1976 -77	1975 -77
Florida	46,646	50,960	56,603	9.2	11.1	21.3	5,635	6,101	6,697	8.3	9.8	18.8
SMSA total	41,310	45,111	50,107	9.2	11.1	21.3	5,798	6,278	6,899	8.3	9.9	19.0
Bradenton	640	706	796	10.3	12.7	24.4	5,229	5,705	6,350	9.1	11.3	21.4
Daytona Beach	1,059	1,158	1,281	9.3	10.6	21.0	5,092	5,526	5,995	8.5	8.5	17.7
Ft. Lauderdale-Hollywood	5,429	5,987	6,771	10.3	13.1	24.7	6,440	7,042	7,834	9.3	11.2	21.6
Ft. Myers-Cape Coral	820	914	1,048	11.5	14.7	27.8	5,278	5,729	6,336	8.5	10.6	20.0
Gainesville	635	679	744	6.9	9.6	17.2	5,066	5,440	5,868	7.4	7.9	15.8
Jacksonville	3,794	4,139	4,538	9.1	9.6	19.6	5,530	5,994	6,536	8.4	9.0	18.2
Baker County	49	54	60	10.2	11.1	22.4	3,947	4,320	4,638	9.4	7.4	17.5
Clay County	233	264	298	13.3	12.9	27.9	4,705	5,082	5,545	8.0	9.1	17.9
Duval County	3,207	3,483	3,809	8.6	9.4	18.8	5,758	6,257	6,852	8.7	9.5	19.0
Nassau County	112	127	137	13.4	7.9	22.3	3,950	4,242	4,482	7.4	5.7	13.5
St. Johns County	194	212	234	9.3	10.4	20.6	4,981	5,336	5,689	7.1	6.6	14.2
Lakeland-Winter Haven	1,419	1,494	1,654	5.3	10.7	16.6	5,189	5,425	5,972	4.5	10.1	15.1
Melbourne-Titusville-Cocoa	1,238	1,348	1,497	8.9	11.1	20.9	5,312	5,825	6,426	9.7	10.3	21.0
Miami	9,322	10,114	11,177	8.5	10.5	19.9	6,491	7,031	7,755	8.3	10.3	19.5
Orlando	3,155	3,509	3,875	11.2	10.4	22.8	5,442	5,985	6,535	10.0	9.2	20.1
Orange County	2,403	2,670	2,929	11.1	9.7	21.9	5,887	6,496	7,093	10.3	9.2	20.5
Osceola County	150	167	189	11.3	13.2	26.0	4,047	4,449	5,004	9.9	12.5	23.6
Seminole County	603	672	757	11.4	12.6	25.5	4,476	4,877	5,320	9.0	9.1	18.9
Panama City	396	444	487	12.1	9.7	23.0	4,499	4,919	5,311	9.3	8.0	18.0
Pensacola	1,269	1,361	1,491	7.2	9.6	17.5	4,696	4,955	5,430	5.5	9.6	15.6
Escambia County	1,060	1,134	1,240	7.0	9.3	17.0	4,736	5,007	5,493	5.7	9.7	16.0
Santa Rosa County	209	227	250	8.6	10.1	19.6	4,503	4,714	5,139	4.7	9.0	14.1
Sarasota	1,086	1,216	1,375	12.0	13.1	26.6	6,838	7,481	8,249	9.4	10.3	20.6
Tallahassee	652	704	774	8.0	9.9	18.7	4,849	5,138	5,587	6.0	8.7	15.2
Leon County	622	670	736	7.7	9.9	18.3	4,948	5,235	5,699	5.8	8.9	15.2
Wakulla County	30	34	37	13.3	8.8	23.3	3,426	3,764	4,026	9.9	7.0	17.5
Tampa-St. Petersburg	7,346	7,998	8,843	8.9	10.6	20.4	5,431	5,860	6,406	7.9	9.3	18.0
Hillsborough County	3,046	3,280	3,584	7.7	9.3	17.7	5,270	5,640	6,145	7.0	9.0	16.6
Pasco County	541	605	692	11.8	14.4	27.9	4,102	4,415	4,885	7.6	10.6	19.1
Pinellas County	3,759	4,112	4,567	9.4	11.1	21.5	5,847	6,364	6,966	8.8	9.5	19.1
West Palm Beach-Boca Raton	3,051	3,340	3,757	9.5	12.5	23.1	6,653	7,165	7,878	7.7	10.0	18.4
NonSMSA County total	5,336	5,850	6,496	9.6	11.0	21.7	4,631	5,012	5,462	8.2	9.0	17.9
Bradford	60	66	73	10.0	10.6	21.7	3,651	3,971	4,269	8.8	7.5	16.9
Calhoun	31	34	36	9.7	5.9	16.1	3,803	3,921	4,119	3.1	5.0	8.3
Charlotte	210	239	276	13.8	15.5	31.4	4,921	5,575	6,222	13.3	11.6	26.4

continued . . .

able growth in 1979 with a moderate increase in population and a substantial decrease in unemployment levels. In 1980 and 1981, the economy is expected to be stagnant with an increase in unemployment levels as employment opportunities decline.

Florida planning districts

Florida is a combination of several different economies with differing production/income mixes. To facilitate state planning,

eleven districts have been defined. Though not made up of economically identical counties, these districts have subareas with common economic factors. All except District 5 have at least one Standard Metropolitan Statistical Area (SMSA).

In 1977, southern districts 9, 10, and 11 accounted for 46.7 percent of total personal income in Florida, compared to the northern and central districts' share of only 18.1 percent and 35.2 percent respectively. Much of the variation in income among districts can be explained by differences in their population

Table 5.—Total personal and per capita income and percentage changes for Florida SMSAs and nonSMSA areas, 1975, 1976, 1977 (continued)

	Total personal income						Per capita income					
	Amount (in millions of dollars)			Percentage change			Amount (in dollars)			Percentage change		
	1975	1976	1977	1975 -76	1976 -77	1975 -77	1975	1976	1977	1975 -76	1976 -77	1975 -77
NonSMSA (continued)												
Citrus	146	157	179	7.5	14.0	22.6	3,897	4,104	4,431	5.3	8.0	13.7
Collier	399	442	512	10.8	15.8	28.3	6,420	6,905	7,663	7.6	11.0	19.4
Columbia	132	141	157	6.8	11.3	18.9	4,515	4,808	5,275	6.5	9.7	16.8
DeSoto	75	80	89	6.7	11.3	18.7	4,409	4,721	5,174	7.1	9.6	17.4
Dixie	20	22	24	10.0	9.1	20.0	3,131	3,380	3,717	8.0	10.0	18.7
Flagler	31	35	39	12.9	11.4	25.8	4,589	4,621	4,842	0.7	4.8	5.5
Franklin	22	24	26	9.1	8.3	18.2	2,841	3,135	3,332	10.3	6.3	17.3
Gadsden	142	156	163	9.9	4.5	14.8	3,771	4,222	4,492	12.0	6.4	19.1
Gilchrist	22	22	25	0.0	13.6	13.6	4,297	4,325	4,698	0.7	8.7	9.3
Glades	21	22	21	4.8	-4.5	0.0	3,835	4,292	3,923	11.9	-8.6	2.3
Gulf	45	52	56	15.6	7.7	24.4	4,297	5,011	5,325	16.6	6.3	23.9
Hamilton	34	30	36	-11.8	20.0	5.9	4,063	3,523	4,165	-13.3	18.2	2.5
Hardee	76	80	89	5.3	11.3	17.1	4,729	4,843	5,305	2.4	9.5	12.2
Hendry	123	116	114	-5.7	-1.7	-7.3	8,235	7,639	7,278	-7.2	-4.7	-11.6
Hernando	125	138	159	10.4	15.2	27.2	4,253	4,601	4,970	8.2	8.0	16.9
Highlands	177	193	213	9.0	10.4	20.3	4,449	4,812	5,357	8.2	11.3	20.4
Holmes	43	49	51	14.0	4.1	18.6	3,359	3,696	3,755	10.0	1.6	11.8
Indian River	274	307	345	12.0	12.4	25.9	6,003	6,749	7,311	11.3	8.3	20.6
Jackson	156	167	176	7.1	5.4	12.8	4,133	4,455	4,684	7.8	5.1	13.3
Jefferson	35	40	41	14.3	2.5	17.1	3,700	4,040	4,243	9.2	5.0	14.7
Lafayette	12	14	15	16.7	7.1	25.0	3,775	4,258	4,196	12.8	-1.5	11.2
Lake	455	494	552	8.6	11.7	21.3	5,204	5,532	5,997	6.3	8.4	15.2
Levy	59	64	73	8.5	14.1	23.7	3,619	3,854	4,426	6.5	14.8	22.3
Liberty	12	13	14	8.3	7.7	16.7	3,203	3,363	3,669	5.0	9.1	14.5
Madison	53	58	63	9.4	8.6	18.9	3,620	3,925	4,311	8.4	9.8	19.1
Marion	424	473	526	11.6	11.2	24.1	4,415	4,713	5,157	6.7	9.4	16.8
Martin	268	295	334	10.1	13.2	24.6	5,845	6,311	6,991	8.0	10.8	19.6
Monroe	278	308	343	10.8	11.4	23.4	5,249	6,142	6,957	17.0	13.3	32.5
Okaloosa	465	506	571	8.8	12.8	22.8	4,476	4,911	5,497	9.7	11.9	22.8
Okeechobee	63	67	74	6.3	10.4	17.5	3,678	3,802	4,113	3.4	8.2	11.8
Putnam	173	194	206	12.1	6.2	19.1	3,969	4,380	4,576	10.4	4.5	15.3
St. Lucie	318	352	393	10.7	11.6	23.6	4,714	5,085	5,576	7.9	9.7	18.3
Sumter	74	83	91	12.2	9.6	23.0	3,709	3,963	4,373	6.8	10.3	17.9
Suwannee	77	85	90	10.4	5.9	16.9	4,227	4,468	4,564	5.7	2.1	8.0
Taylor	65	72	81	10.8	12.5	24.6	4,490	5,058	5,680	12.7	12.3	26.5
Union	31	34	36	9.7	5.9	16.1	3,095	3,226	3,529	4.2	9.4	14.0
Walton	63	72	78	14.3	8.3	23.8	3,628	4,056	4,207	11.8	3.7	16.0
Washington	46	54	57	17.4	5.6	23.9	3,516	4,156	4,077	18.2	-1.9	16.0

Source: U.S. Department of Commerce, Bureau of Economic Analysis, unpublished data, released by the Bureau of Economic and Business Research.

size (see Figures 6a and 6b). Southern districts continue to dominate in growth rates (see Table 4).

In per capita income, all southern districts were also ahead of state and national averages in 1977. Construction in these regions increased considerably, with moderate growth in employment opportunities. Population also grew at a higher rate in these districts. In central and north Florida, per capita incomes varied widely and were below the national average. Table 4 indicates a \$2,911 differential in per capita incomes between Dis-

trict 5 and District 11, the least and most affluent districts.

Florida SMSAs and nonurban income

Florida's sixteen SMSAs, with 86.1 percent of the state's population, accounted for 88.5 percent of total personal income in 1977 (see Table 5).

In 1977, five SMSAs recorded personal-income growth greater than the state average of 11.1 percent. Ft. Myers-Cape Coral, with

Figure 6a.—Personal income
in regional planning districts
as percentages
of the Florida total, 1977

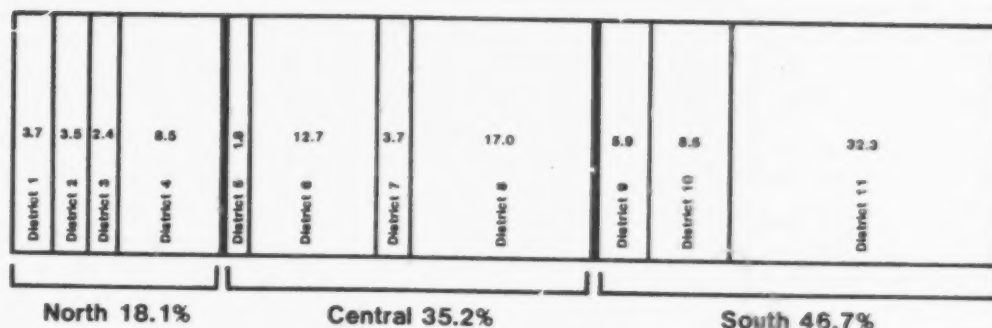
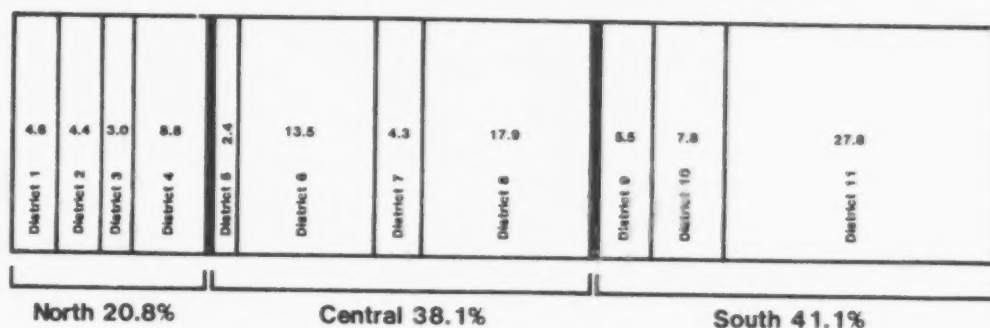
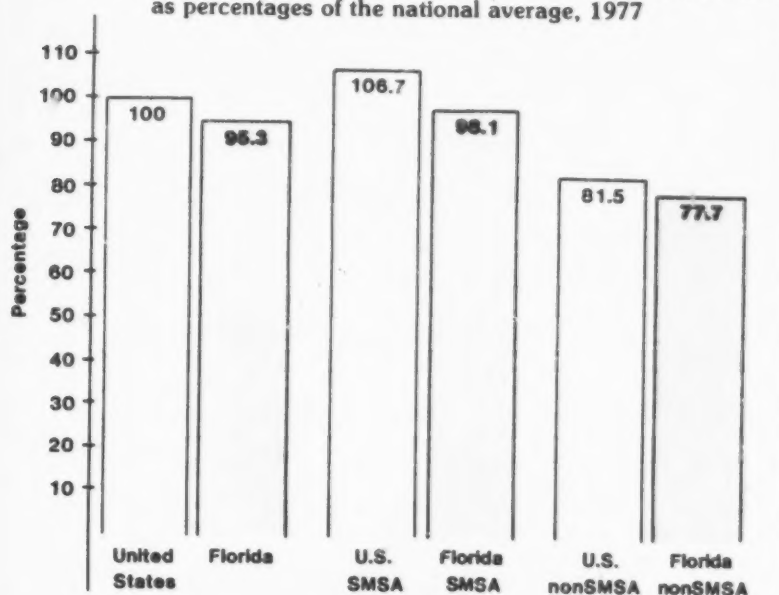


Figure 6b.—Populations
of regional planning districts
as percentages
of the Florida total, 1977



14.7 percent growth from 1976 to 1977 and 27.8 percent growth between 1975 and 1977, was highest, with Sarasota second. The megalopolis of West Palm Beach-Boca Raton, Fort Lauderdale-Hollywood, and Miami continued to grow in income and population during 1975-77.

Figure 7.—Per capita personal income in SMSAs and nonSMSA areas
as percentages of the national average, 1977



Although several nonSMSA counties have attracted a large number of new residents in recent years, the effect on income is not very apparent from the data in Table 5. However, in 1977 almost half the nonurban counties experienced personal-income growth greater than the state average. Charlotte County, with 31.4 percent, topped the list.

A comparison of Florida and United States SMSA and nonSMSA personal per capita income is shown in Figure 7. Florida SMSA per capita income was 8.6 percentage points below the national average. There was also a wide variation in per capita income among SMSAs in Florida (see Table 5) despite economic progress in many parts of the state. Sarasota, with a per capita income greater than the national average by 17.4 percent, ranked fifteenth among SMSAs nationally, while Panama City, with a per capita income 24.4 percent under the national average, ranked two hundred fifty-sixth nationally.

In summary, although Florida's total personal income in recent years has been at a favorable level, the current uneven pattern of income distribution and below-average per capita income totals remain subjects of concern to analysts of the Florida economy.

INFLATION

TAKES A BIGGER BITE

P. C. Padmanabhan

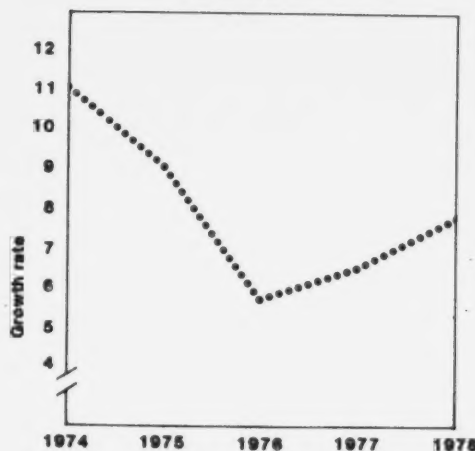
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America's most difficult economic struggle in 1978 was the fight to maintain or improve living standards in the face of inflation which reached a 7.7 percent annual rate compared to 6.5 percent for 1977.

Inflation is the most complex economic problem. Rising prices reduce the real purchasing power of savings and invested capital and distort the financial market process. During inflationary periods, the redistribution of income does not follow normal patterns, creating inequities which usually affect the weakest segments of society. Often, when these inequities increase, inflation is accompanied by severe economic recession and high unemployment.

The increased rate of inflation in 1978 was caused by many factors acting together: domestic and international economic condi-

Figure 1.—Consumer Price Index
percentage growth rate,
1974-78



tions leading to devaluation of the dollar; higher oil prices worldwide; a rise in food prices, especially meat and grains; government policies and recent legislation. Food prices alone rose approximately 12 percent as measured by the Consumer Price Index and were a major stimulus to general inflation.

The measure of inflation adopted in this article is the national Consumer Price Index (CPI), a compilation of the change in prices of about 400 goods and services purchased by urban wage earners. The annual rates of in-

crease in price levels from 1974 to 1978 shown in Figure 1 were calculated using 1967 prices as 100. The inflation rate was 11.0 percent in 1974, declining sharply to 5.8 percent in 1976 due to recession, and increasing from 6.5 percent in 1977 to 7.7 percent in 1978. Inflation continues in 1979, as prices increase at rates no less than 7.5 percent. Although the nation is currently experiencing economic recession with slow recovery predicted in 1980, higher inflation rates are also forecast during 1980 and 1981.

Tables 1-2.—The effects of inflation, 1976-78

—on personal and per capita income in Florida, the Sunbelt states, other populous states, and the United States

—on total labor and proprietors income by type of industry and personal and per capita income by place of residence

	Total personal income (in millions of dollars)		Per capita income (in dollars)	
	Absolute % change 1976-78	Real % change 1976-78	Absolute % change 1976-78	Real % change 1976-78
Sunbelt states				
Florida	26.6	10.4	23.0	7.3
Alabama	24.8	8.9	21.8	6.3
Arizona	30.1	13.5	24.3	8.5
Arkansas	29.0	12.6	24.9	9.0
California	27.0	10.8	22.6	7.0
Georgia	24.0	8.2	21.6	6.1
Louisiana	27.1	10.9	24.2	8.4
Mississippi	28.4	12.1	26.4	10.3
New Mexico	27.3	11.1	23.1	7.4
North Carolina	23.4	7.7	20.9	5.5
Oklahoma	26.8	10.6	21.9	6.4
South Carolina	23.3	7.6	20.2	4.9
Tennessee	26.2	10.1	22.6	7.0
Texas	29.1	12.6	25.0	9.1
Virginia	23.0	7.3	20.7	5.3
West Virginia	19.7	6.3	17.9	4.7
Other populous states				
Illinois	20.2	4.8	19.6	4.4
Indiana	24.4	8.6	23.0	7.3
Massachusetts	21.3	5.8	21.7	6.2
Michigan	25.8	9.8	24.8	8.9
New Jersey	20.3	5.0	20.8	5.4
New York	17.3	2.3	19.3	4.1
Ohio	22.8	7.2	22.2	6.6
Pennsylvania	20.3	5.0	22.0	6.5
United States	24.0	8.2	22.1	6.6

Note: Conversion factor = $161.2/181.5 = 0.88815$. These percentage changes relate to income figures listed in Table 2 of the first article in this *Dimensions*.

Source (Tables 1-4): U.S. Department of Commerce, Bureau of Economic Analysis, unpublished data, released by the Bureau of Economic and Business Research, University of Florida.

	Absolute % change 1976-78	Real % change 1976-78
Total labor and proprietors income	28.3	14.0
By type		
Wage and salary disbursements	26.3	12.2
Other labor income	40.8	25.0
Proprietors income	38.8	23.2
Farm	67.6	48.8
Nonfarm	31.6	16.8
By industry		
Farm	50.6	33.7
Nonfarm	27.7	13.4
Private	29.9	15.3
Agricultural services, forestry, fisheries, and miscellaneous industries	28.0	13.8
Mining	22.6	9.0
Construction	38.4	22.9
Manufacturing	37.4	22.0
Nondurable goods	25.1	11.0
Durable goods	48.1	31.5
Transportation and public utilities	23.3	9.5
Wholesale trade	25.1	11.1
Retail trade	24.9	11.0
Finance, insurance, and real estate Services	37.0	21.7
Government and government enterprises	27.7	13.4
Federal, civilian	19.4	6.0
Federal, military	18.8	5.5
State and local	14.2	1.4
Total labor and proprietors income	28.3	14.0
Personal contributions for social insurance	28.8	14.4
Dividends, interest, and rent	26.3	12.2
Transfer payments	20.8	7.2
Personal income by place of residence	26.6	12.4
Per capita income by place of residence	23.0	9.3

Note: Conversion factor = $161.2/181.5 = 0.88815$. These percentage changes relate to income figures listed in Tables 3 and 4 of the first article in this *Dimensions*.

Southeast and the big-ten states

The effect of inflation on the growth rate of total personal and per capita income in the United States, Southeast and the big-ten states can be understood by the comparison of real and absolute changes shown in Table 1. The real change was calculated by deflating 1978 dollars to 1976 values. After adjustments, the national average for real growth in per capita income in 1976-78 was only 6.5 percent, compared to 22.1 percent of absolute change. All big-ten states and southeastern states had less than 10 percent real growth in per capita income except Mississippi, with 10.3 percent. In Florida, absolute per capita growth was 23.0 percent, while real growth was only 7.3 percent.

Florida and inflation

In contrast to national economic indicators, Florida's economy showed strengthening despite price inflation. During 1978, significant gains were made in many sectors, particularly construction and manufacturing, leading to a reduction in unemployment. From 1976 to 1978, construction and manufacturing showed real growth of 22.9 percent and 22.0 percent respectively, compared to absolute growth of 38.4 percent and 37.4 percent. Total labor and proprietors income also showed a real growth of 14 percent (see Table 2).

Florida SMSAs were only moderately affected by inflation during 1975-77. Growth of real per capita income during this period was 5.7 percent compared to a negative growth of 2.7 percent during 1974-76. Real growth in per capita income varied from 8.0 percent in the Fort Lauderdale-Hollywood SMSA to 2.2 percent in Lakeland-Winter Haven. Real per capita income growth in seven SMSAs was greater than the state average during 1975-77 (see Table 3). In real total personal income growth, the Ft. Myers-Cape Coral SMSA was highest with 13.5 percent, followed by Fort Lauderdale-Hollywood with 10.8 percent and the Bradenton SMSA with 10.5 percent.

Real and absolute change in total personal and per capita income in Florida, grouped by planning districts, is shown in Table 4. District 11 (Broward, Dade and Monroe counties) had the highest real growth in per capita income—7 percent.

Tables 3-4.—The effects of inflation, 1976-78

—on personal income and per capita income in Florida SMSAs

	Total personal income (in millions of dollars)		Per capita income (in dollars)	
	Absolute % change 1975-77	Real % change 1975-77	Absolute % change 1975-77	Real % change 1975-77
Florida	21.3	7.8	18.8	5.5
SMSAs, total	21.3	7.7	19.0	5.7
Bradenton	24.3	10.5	21.4	7.9
Daytona Beach	20.9	7.5	17.7	4.6
Ft. Lauderdale- Hollywood	24.7	10.8	21.6	8.0
Ft. Myers-Cape Coral	27.8	13.5	20.0	6.6
Gainesville	17.2	4.1	15.8	2.9
Jacksonville	19.6	6.2	18.2	5.0
Lakeland-Winter Haven	16.6	3.5	15.1	2.2
Meibourne-Titusville- Cocoa	20.9	7.4	21.0	7.4
Miami	19.9	6.5	19.5	6.1
Orlando	22.8	9.1	20.1	6.7
Panama City	23.0	9.2	18.0	4.8
Pensacola	17.5	4.3	15.6	2.7
Sarasota	26.6	2.4	20.6	7.1
Tallahassee	18.7	5.4	15.2	2.3
Tampa-St. Petersburg	20.4	6.9	18.0	4.8
West Palm Beach-Boca Raton	23.1	9.4	18.4	5.2

Note: Conversion factor = $161.2/181.5 = 0.88815$. These percentage changes relate to income figures listed in Table 5 of the first article in this *Dimensions*.

—on personal and per capita income in Florida planning districts

	Total personal income (in millions of dollars)		Per capita income (in dollars)	
	Absolute % change 1975-77	Real % change 1975-77	Absolute % change 1975-77	Real % change 1975-77
Florida	21.3	7.8	18.8	5.5
District 1	19.0	5.7	17.6	4.4
District 2	19.1	5.8	16.2	3.2
District 3	17.6	4.5	15.5	2.6
District 4	19.6	6.3	17.9	4.7
District 5	24.3	10.4	16.8	3.7
District 6	22.0	8.3	19.5	6.1
District 7	17.1	4.0	15.4	2.5
District 8	20.7	7.2	18.2	5.0
District 9	25.9	11.8	19.1	5.8
District 10	23.5	9.7	18.6	5.3
District 11	21.7	8.1	20.5	7.0

Note: Conversion factor = $161.2/181.5 = 0.88815$. These percentage changes relate to income figures listed in Table 4 of the first article in this *Dimensions*.

FLORIDA TRANSFER PAYMENTS OUTPACE THE NATION'S

P. C. Padmanabhan

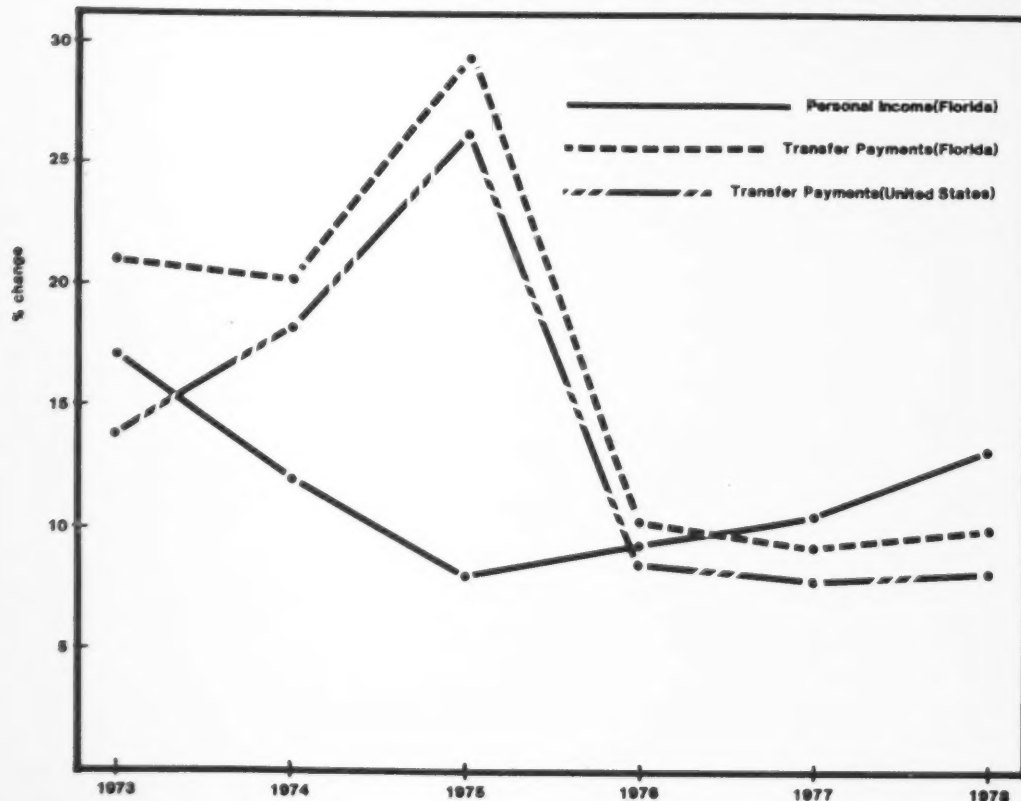
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Transfer payments constitute the second largest nonwage component of personal income in Florida. Since 1972, these payments in Florida have more than doubled and grown at a faster rate than national average. The state ranked fifth in total transfer payments in 1978 compared to its rank of ninth nationally in total personal income. Transfer payments increased faster than personal income

between 1973 and 1976, but since 1977 their growth rate has been lower than total personal income growth (see Figure 1).

Transfer payments are income received by persons from business or government for which current services are not rendered. These include social security payments; unemployment compensation, veterans', and retirement benefits; and other welfare-type

Figure 1.—Growth rates of transfer payments and personal income in Florida, 1973-78



payments. This article analyzes the rapid growth of transfer payments in Florida and its effect on total personal income.

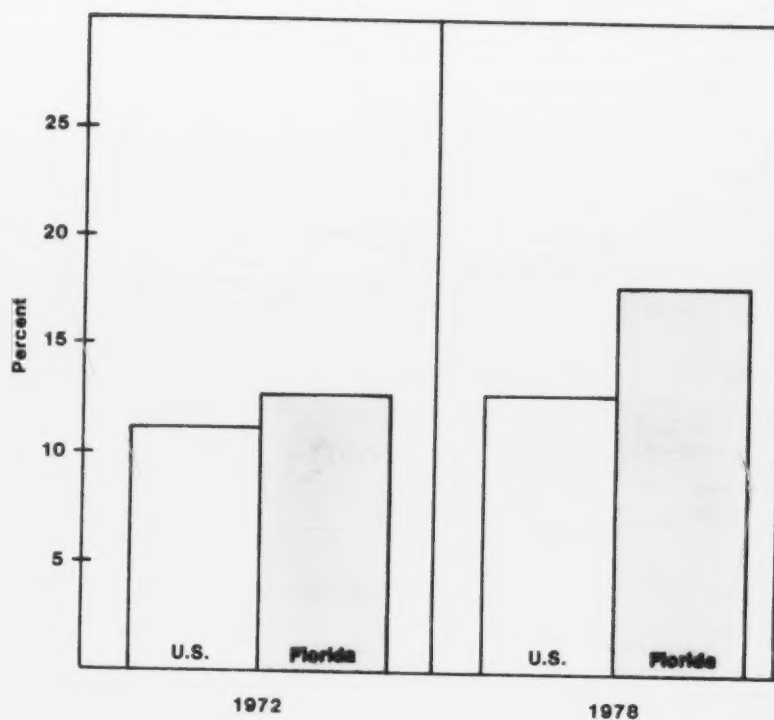
Transfer payments in Florida increased 152.3 percent between 1972 and 1978—from \$4.4 billion to \$11.1 billion. Their increase in the United States during this period was 117.3 percent—from \$104 billion to \$226 billion (see Table 1). The percentage of transfer payments as part of total personal income in Florida also increased—from 13.3 percent in 1972 to 17.2 percent in 1978; but nationally the increase was only 2.2 percentage points, from 11.1 percent to 13.3 percent (see Figure 2).

During 1977, Florida's per capita transfer payments were higher than those of four other states where total transfer payments were greater than in Florida—California, New York, Pennsylvania, and Illinois. Table 2 shows per capita transfer payments and per capita income for Florida and selected states. From 1975 to 1977, per capita transfer payments in Florida increased 18.9 percent, from \$999 to \$1,188, and per capita income increased 18.7 percent. Pennsylvania, with 21.6 percent, showed the highest per capita transfer-payment increase during 1975-77, followed by New York and California with 17.3 percent and 14.7 percent respectively. The nation as a whole experienced only 15.4 percent growth in this sector during this period.

Transfer payments can be divided into four categories—government payments to civilians, government payments to retired military personnel and dependents, payments to nonprofit institutions, and business transfer payments.

Government payments to individual civilians include retirement, disability, and health insurance payments, unemployment insurance, income maintenance, educational and training assistance payments, among others. In 1972, government payments to individual civilians in Florida accounted for 76.6 percent of total transfer payments. They increased to 79.1 percent in 1977, for an overall increase of 129.1 percent. Nationally, the increase was 107.9 percent and the proportion to total transfer payments had increased from 79.2 percent in 1972 to 81.6 percent in 1977. Table 3 indicates total transfer payments by major sources in Florida and the United States.

Figure 2.—Transfer payments as percentages of personal income in Florida and the United States, 1972 and 1978



Retirement, disability, and health insurance payments more than doubled during 1972-77 and were growing at a faster rate in the state than the nation. In 1977, retirement benefits alone accounted for 87.5 percent of government payments to civilians in Florida and 69.2 percent of total transfer payments in the state. This income source has a dramatic

Table 1.—Total transfer payments in Florida and the United States, 1972-78

Years	Florida		United States	
	Transfer payments	Percent increase	Transfer payments	Percent increase
1972	4.4	---	104.1	---
1973	5.3	20.5	118.9	14.2
1974	6.4	20.8	140.8	18.4
1975	8.3	29.7	178.2	26.6
1976	9.2	10.8	193.9	8.8
1977	10.0	8.7	208.8	7.7
1978	11.1	11.0	226.0	8.2

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

effect on the state's total personal income. A large amount of retirement income initially depresses the state's per capita income, because retirement incomes are usually lower than wages and salaries. However, in the long run, when retirees become consumers of Florida goods and services, an increase in the income of other residents results. This is called the multiplier effect. Since 17.4 percent of the population in Florida is aged 65 and older, retirement benefits have become a major source of personal income in the state.

Unemployment compensation, another major source of government payments to civilians, consists of payments made through federal, state, and railroad unemployment insurance programs. In Florida, rapid increase in unemployment compensation began in

1970 and peaked in 1975 due to recession, reaching a high of \$480 million. Since 1976, these payments have declined considerably because of lower unemployment in both the United States and Florida (see Table 3). During 1977, Florida recorded a decline of 37.0 percent in unemployment compensation while the nation showed a decline of 19.3 percent. Educational and training assistance payments both went up in Florida and the United States, by 45.0 percent and 32.9 percent respectively. This category, however, is a very small proportion of total transfer payments.

Business transfer payments in Florida during 1972-77 showed a very high growth rate compared to the national average. From 1976 to 1977, these payments increased

Table 2.—Transfer payments, total and per capita, for Florida, the United States, and selected states, 1975-77

	Total (in millions of dollars)			Per capita transfer payments			Per capita income		
	1975	1976	1977	1975	1976	1977	1975	1976	1977
United States	178,166	193,915	208,824	836	903	965	5,861	6,403	7,019
Florida	8,268	9,171	10,044	399	1,097	1,188	5,631	6,105	6,684
New York	18,239	19,791	21,223	1,009	1,096	1,184	6,519	6,929	7,537
California	20,170	22,202	23,896	951	1,032	1,091	6,575	7,219	7,911
Pennsylvania	11,004	12,259	13,284	927	1,038	1,127	5,841	6,402	7,011
Illinois	9,126	10,139	10,890	815	906	968	6,735	7,332	7,768

Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*, October, 1978.

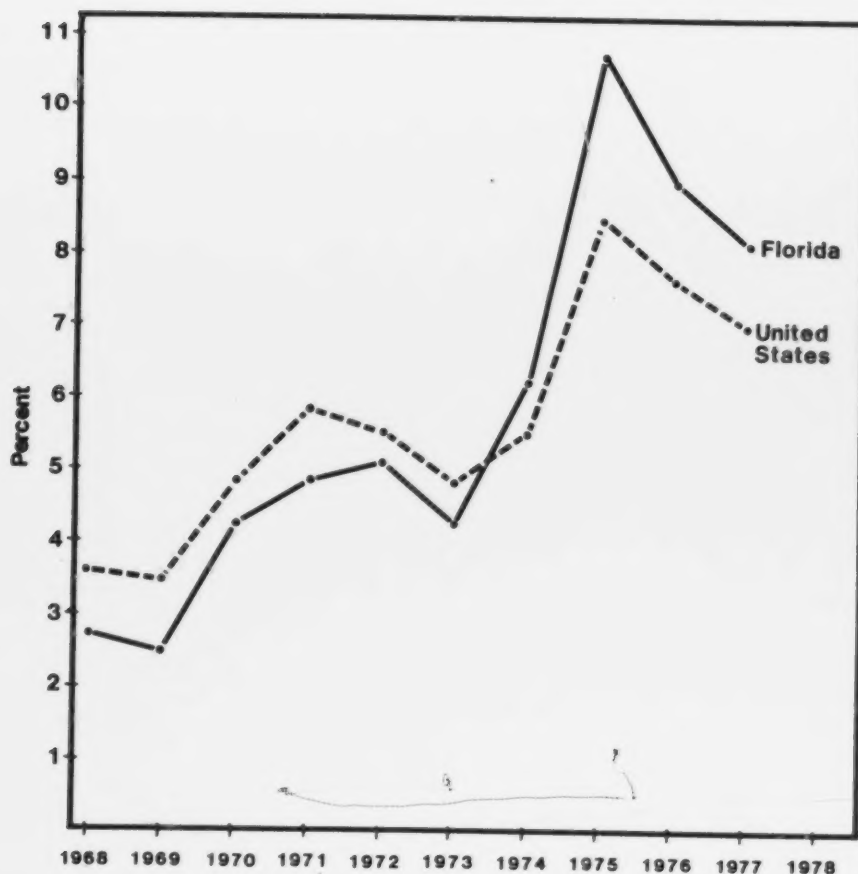
Table 3.—Transfer payments by major sources in Florida and the United States in selected years

	Florida					United States				
	1972	1976	1977	Percentage change		1972	1976	1977	Percentage change	
Total transfer payments	4,383	9,171	10,044	129.1	9.5	104,099	193,915	208,824	100.6	7.7
Government payments to civilians	3,359	7,219	7,946	136.5	10.1	82,417	158,391	171,380	107.9	8.2
Retirement, disability, and health insurance payments	2,976	6,114	6,952	133.6	13.7	63,002	117,872	132,812	110.8	12.7
Unemployment insurance payments	82	397	250	204.9	-37.0	5,633	15,619	12,607	123.8	-19.3
Income maintenance payments	290	668	684	135.9	2.4	13,243	23,303	23,839	80.0	2.3
Educational and training assistance and other payments	11	40	58	427.3	45.0	539	1,597	2,122	293.7	32.9
Government payments to retired military veterans	827	1,496	1,583	91.4	5.8	13,899	22,065	22,308	60.5	1.1
Payments to nonprofit institutions	80	166	174	117.5	4.8	3,061	5,182	5,505	79.8	6.2
Business transfer payments	116	291	340	193.1	17.8	4,722	8,277	9,631	104.0	16.4

Note: Detail may not add due to rounding.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Figure 3.—Unemployment rates, Florida and the United States, 1968-78



17.8 percent in the state and 16.4 percent nationally. Government payments to retired military personnel, the third largest source of transfer payments, also increased more in Florida than the nation.

The distribution of transfer payments in selected counties of Florida is shown in Table 4. Dade, Broward, and Pinellas counties together accounted for 38.5 percent of the state's total. Dade County, with 15.9 percent, had the largest share. During 1972-77, Pasco County had the highest increase of 182.7 percent, followed by Broward with 153.1 percent.

Despite the multiplier effect transfer payments have on the economy, they are literally payments for nonproductivity and depress the per capita income figures. The high level of transfer payments in Florida is an important cause of low per capita income in the state.

Table 4.—Transfer payments in selected Florida counties, 1972, 1976, 1977

County	1972	1976	1977	Percentage of population 65 and older in 1977
Dade	718	1,486	1,597	15.4
Broward	456	1,049	1,154	21.0
Pinellas	550	1,032	1,116	32.0
Palm Beach	252	567	625	20.5
Hillsborough	245	501	540	11.4
Duval	236	468	507	8.8
Orange	205	418	444	10.4
Volusia	146	284	314	24.2
Sarasota	130	266	294	35.0
Brevard	125	269	292	9.3
Polk	127	251	274	14.9
Lee	94	211	235	22.8
Escambia	100	205	227	7.6
Pasco	75	179	212	30.6
Manatee	87	170	189	32.9

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

A TALE OF TWO COUNTIES



Ann C. Pierce

Managing Editor
Dimensions

The two counties with the highest and the lowest per capita incomes in Florida both lie on the Gulf Coast. Both boast miles of beaches, a string of offshore buffer islands, and approximately the same land area. Though separated by about 340 land miles and some 250 across the Gulf, they lie in areas where the average temperatures in the coldest and warmest months in 1977 were only 6.4 and 2.4 degrees apart. Each county's major urban center developed originally along a highway paralleling the coast, and each county would seem to offer many of the same attractions to migrants and visitors.

Yet their development has been vastly different—so much so that Sarasota County's 1977 per capita personal income of \$8,249, highest in the state, was more than twice that of lowest-ranked Franklin County's \$3,332. The difference is even more remarkable considering the reputations for "no-growth" attitudes which have attached themselves in some degree to both counties.

Sarasota County topped the state per capita income list previously in 1972, but two other counties in its Southwest Planning District have shared first place in the intervening years. The region's per capita income for 1977 was 103 percent of the national average, while Sarasota County's was 117 percent of the U. S. figure.

Franklin County, on the other hand, is part of the Apalachee Planning District in the mid-Panhandle, where regional per capita income is only 71 percent of the national average. (However, Panama City, one of two SMSAs in the region, had the highest rate of growth in personal income of any SMSA in

the state between 1974 and 1976.) Franklin's per capita income has been the lowest in the state for four years, taking the dubious distinction away from Union and Liberty counties, which have also held it in this decade.

Per capita income figures are merely simple averages of total personal income of an area divided by all the residents—adults and children, workers and nonworkers alike. The figures do not indicate how many people or families in an area have low or high incomes, or what the lowest and highest levels are. However, they do give some indication of the relative wealth and economic status of different areas.

People of the areas

Franklin's estimated July 1, 1978, population of 8,388 places it sixty-second among Florida's sixty-seven counties. It has grown 19 percent since 1970. A growth of 52 percent has been registered in the same period in Sarasota County, where the estimated July 1, 1978, population is 183,426, making it the twelfth largest in the state.

With only 15.6 people per square mile, Franklin County is sparsely settled and its largest community, Apalachicola, has actually lost 4 percent of its population since 1970. It now has 2,976 residents, according to the 1978 estimate of population published by the Bureau of Economic and Business Research. Sarasota County's population density is 312.5 per square mile. Between 1975 and 1978, Franklin County's population in-

creased 6.8 percent while Sarasota County was increasing at a 12.4 percent rate.

More than half the population in each county is of working age—58.6 percent in Franklin and 51.0 in Sarasota. But the percentage of retirees in Sarasota is twice that in Franklin, as might be expected—35 percent versus 17.2 percent. Franklin's largest population age group is children aged zero to fourteen, followed closely by persons aged twenty-five to forty-four. People sixty-five and older are the smallest single age group in the county.

In Sarasota, those aged sixty-five and older are the largest single group, with 64,780 individuals. Numbering less than half that amount is the next highest group, those aged twenty-four to forty-four. Teens and young adults between fifteen and twenty-four are the smallest single age group in the county.

Whites outnumber blacks nineteen to one in Sarasota and five to one in Franklin. Women outnumber men in most age and race categories in both counties, though sometimes only slightly.

Income and employment

The major industry in Franklin County is seafood harvesting and processing, though the largest published dollar amount of income in the county comes from state and local government employment and retail trade. Services has topped the list in Sarasota County for a number of years, along with retail trade.

Franklin's unemployment rate in 1977 was 14.0 percent, while Sarasota's was 6.4. Transfer payments represented 33 percent of the personal income in Franklin County and 21.4 percent of that in Sarasota County. These payments are incomes received by persons from business or government for which no current services are rendered: social security, unemployment insurance, general assistance, food stamps, aid to families with dependent children, etc. The number of people receiving food stamps in Franklin represented 9.1 percent of the population in 1977-78, while the number in Sarasota County was 3.2 percent of the population there.

Oystering, fishing and seafood processing are the basis of Franklin County's economy.

When these industries declined in the early seventies, unemployment rose and peaked at 17.7 percent in the county in September, 1975. Protection of the environment to insure continuation of healthy oyster and shrimp supplies has taken the form of reluctance by the county government to support most attempts to broaden the economic base and increase the income level of the work force.

A county economic development plan published in 1961 noted that economic depression "is no new experience for this area. With few exceptions, the county has been the victim of unemployment, underemployment and retarded growth since the turn of the century when navigation in the Apalachicola and Chattahoochee Rivers was curtailed . . ." The report's authors said that "We have not been successful in attracting industry, commerce, and tourism which has given the economic boost to many counties of Florida. Our population has remained almost static since 1920."

More of the same can be read in a 1974 county plan from an outside consultant, who recommended development of Apalachicola and Carrabelle into tourist fishing centers. Other recommendations over the years have been for construction of a north-south highway as a disaster evacuation/tourist access route; development of the tourist and historical resource potential of Apalachicola and miles of coastline which one plan described as a potentially "fantastic" tourist area.

The same 1976 economic development plan, however, also noted that the county is dependent on the seafood industry, which then employed more than 65 percent of its available labor. Most of the county's manufacturing industry is seafood processing and packaging (60 percent) or wood and wood products (18 percent). Fish and shellfish landings in the county totaled 11,151,000 pounds in 1976, more than three times the amount harvested in neighboring Wakulla County and more than twice as much as in neighboring Gulf County.

This fall, the importance of Apalachicola Bay and its shellfish was recognized when the federal government designated the bay and part of the Apalachicola River as a national estuarine sanctuary. The federal government will spend approximately \$1.8 million, to be matched by state funds, for purchase of swamp and marshlands at the mouth of the river and in the bay. The designation does not

impose any new land use regulations but does provide for organization of a state-local sanctuary management committee to assure preservation of a productive environment.

Much of Franklin County is forest land, including almost 23,000 acres which are part of the Apalachicola National Forest. Yet forest products income amounted to only \$3,343,639 in the county in 1976, or about one-tenth of 1 percent of the state total. Only six counties had lower forestry products incomes than Franklin that year. And of land purchased throughout Florida for national forests, that in Franklin County brought the lowest price per acre.

Residential development

At least two large developments have been proposed in recent years in Franklin County. One, a condominium at the site of a former Episcopal camp, was refused a permit. Another high-rise townhouse project was permitted on the county's St. George Island, but the permit was later revoked.

Building permit data indicate that Franklin County's residential development is increasing, however, though it must be remembered that the number of permits issued does not necessarily equal the number of projects completed.

In 1974 there were only thirty-five single-family permits issued in the county. The figure more than doubled, to seventy-seven, the next year and was seventy-six in 1976. Single-family permits totaled fifty-nine in 1977 and ninety-six in 1978, with the majority issued in the last four years being for homes in unincorporated areas of the county. Many are for vacation homes for part-time residents, but some are also for retirees beginning to settle in the area.

There were no permits for multifamily structures issued in Franklin County in 1974 or 1975, but there were two in 1976, eighteen in 1977, and fifty-six in 1978.

Sarasota County permitted more multifamily than single-family dwellings in 1974, with 2,033 of the former and 1,382 of the latter. In 1975 the single-family permits decreased slightly to 1,297 and multifamily dropped to only 156. In the next three years, 1976-78, there were 9,127 single-family permits and 2,847 multifamily permits issued in the county.

Environmental concerns

Though recognizing the county's need for a more diversified economy and greater development, residents and elected officials in Franklin County are chiefly concerned about protecting the seafood industry by maintaining water quality in Apalachicola Bay. An attitude survey conducted in the City of Apalachicola by the Northwest Florida Planning and Advisory Council found that a majority of residents, businessmen, and industry representatives questioned would not like to see a more rapid development of the area.

In heavily urbanized Sarasota County there is continuing concern about protecting the remaining natural environment. As part of a region where all urban areas have undergone rapid expansion since 1950, growing at more than double the rate of the state as a whole, Sarasota's population increase "has threatened the quality of the region's natural resources" according to a land use policy plan of the area planning council.

According to *The Florida Outlook*, "Sarasota (County) is currently using several alternative zoning techniques to manage growth and is evolving population targets for the future."

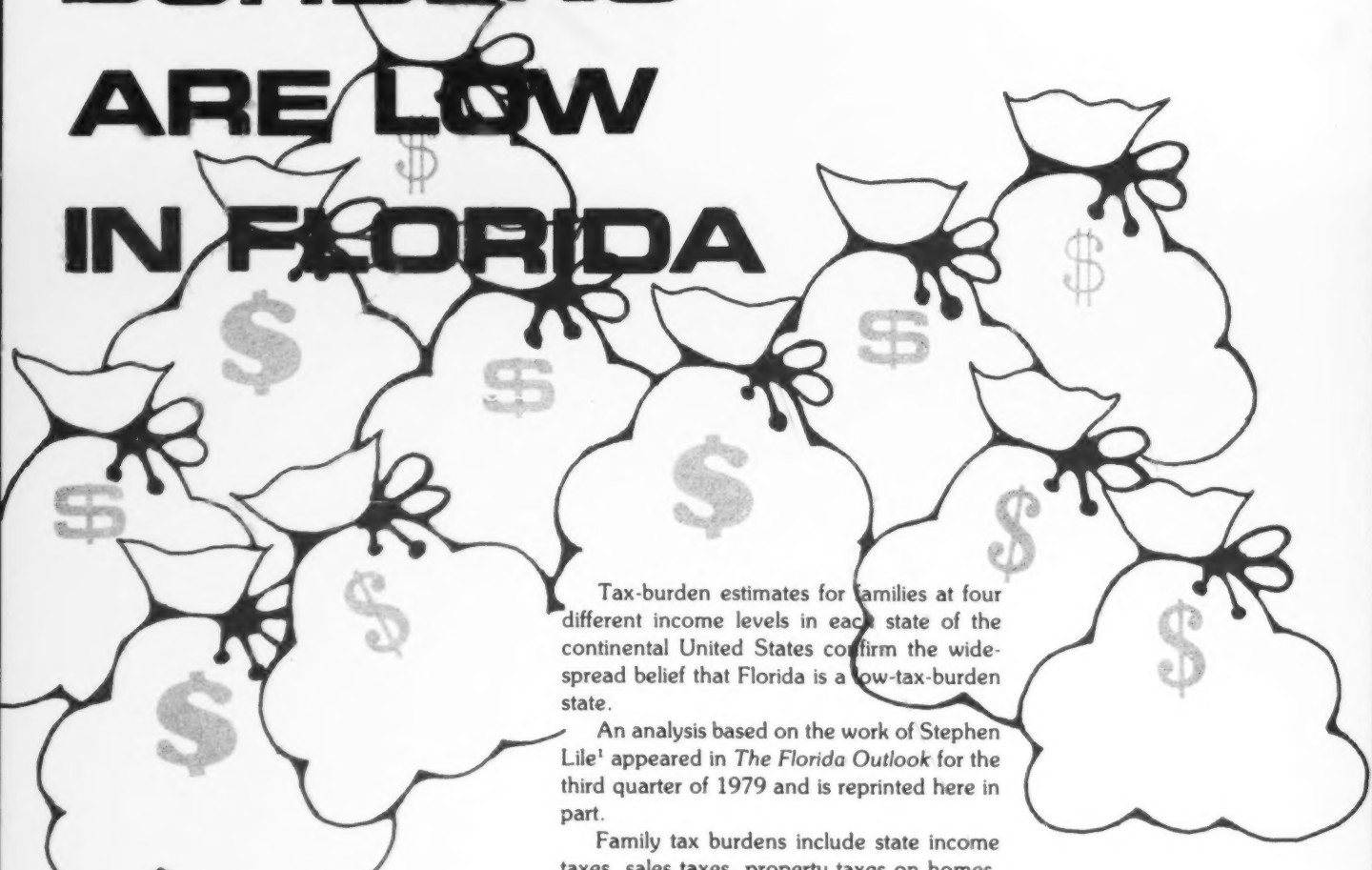
A county environmental specialist said in July that a public mandate precipitated by the comprehensive land use planning process and the press of growth in Sarasota County had forced widespread awareness of the need for better resource planning and use. He was quoted in the *Sarasota Herald-Tribune* as saying that "to use a natural resource such as land in such a way that real benefit is derived without any irreparable damage to the resource is what the people of Sarasota decided they must institute in their county on a large scale."

With its high level of personal income which, because of the retirement population, is not totally dependent on wages and salaries, Sarasota County can afford to seek some limitations on additional growth and development.

Franklin County, for its economic health, cannot. And yet the fragile river and ocean environment is vital to the area and so far has been protected at all costs—including the costs to the county work force in the size of their paychecks and possibilities for increasing them.



FAMILY TAX BURDENS ARE LOW IN FLORIDA



Tax-burden estimates for families at four different income levels in each state of the continental United States confirm the widespread belief that Florida is a low-tax-burden state.

An analysis based on the work of Stephen Lile¹ appeared in *The Florida Outlook* for the third quarter of 1979 and is reprinted here in part.

Family tax burdens include state income taxes, sales taxes, property taxes on homes, motor vehicle taxes, and cigarette levies. It is assumed that a hypothetical family of four owns a home and lives in the largest city in each state.

Henry H. Fishkind

Acting Director
Bureau of Economic and Business Research

Research results

Family tax-burden estimates are developed for the continental United States by state. Estimates are provided for four income

¹Stephen E. Lile, *Interstate Comparison of Family Tax Burdens with Residence Location Based on Each State's Largest City* (Frankfort: Kentucky Department of Revenue, 1978).

classes: \$7,500, \$15,000, \$25,000 and \$50,000. Tax-burden comparisons are made for both total taxes and for the proportion of income absorbed by taxes.

For families with incomes above \$7,500 Florida ranks forty-eighth out of forty-eight states in terms of tax burden. For families with incomes of \$7,500 Florida ranks forty-fourth. Not only is Florida's total tax burden low, but the taxes paid in each category except cigarette levies rank very low. Florida has no state

or local income taxes, it ranks thirty-eighth in terms of sales taxes and thirty-ninth in motor vehicle taxes. Even in the property tax category, which is such a hot topic now, Florida ranks low at thirty-ninth to forty-third depending on income class. Finally, Florida's tax structure is quite regressive. The higher income goes, the lower is the percentage of income absorbed by taxes. Only Washington and Wyoming have more regressive tax structures than Florida.

Table 1.—Family tax burdens by type of tax and state of residence (largest city of each state) for family with \$7,500 adjusted gross income

State ¹	Individual income		General sales		Residential property	Motor vehicle ²	Cigarette excise	Total tax burden	Rank ³
	State	Local	State	Local					
Alabama	\$ 82	\$100	\$131	\$ 65	\$111	\$141	\$64 ⁴	\$ 694	29
Arizona	90	---	150	38	296	172	52	798	17
Arkansas	84	---	108	---	211	159	71	633	32
California	4	---	134	*	460	153	40	791	18
Colorado	56	---	109	109	269	135	40	718	22
Connecticut	---	---	127	---	626	300	84	1,137	2
Delaware	134	94	---	---	360	113	56	757	21
FLORIDA	---	---	90	---	205	118	68	481	44
Georgia	26	---	116	39	310	174	48	713	24
Idaho	-3 ⁵	---	105	---	308	122	36	568	38
Illinois	88	---	171	*	336	139	68 ⁴	802	16
Indiana	100	---	104	---	425	209	24	862	13
Iowa	168	---	81	---	433	133	52	867	10
Kansas	48	---	122	---	314	168	44	696	28
Kentucky	142	165 ⁶	124	---	265	155	12	863	12
Louisiana	0	---	71	71 ⁷	93	101	44	380	48
Maine	14	---	118	---	518	169	64	883	9
Maryland	128	64	93	---	514	123	40	962	7
Massachusetts	143	---	42	---	771	273	84	1,313	1
Michigan	69	101	96	---	438 ⁸	116	44	864	11
Minnesota	120	---	68	---	78 ⁸	137	72	475	45
Mississippi	---	---	198	---	253	213	44	708	25
Missouri	18	75	112	37	332	183	64 ⁴	821	15
Montana	151	---	---	---	271	159	48	629	33
Nebraska	-47 ⁵	---	99	40	421	201	52	766	20
Nevada	---	---	116	*	265	124	40	545	40
New Hampshire	---	---	---	---	630	168	48	846	14
New Jersey	70	---	74	---	763	128	76	1,111	4
New Mexico	-127 ⁵	---	170	---	269	97	48	457	46
New York	97	45	111	111 ⁹	387	133	92 ⁴	976	6
North Carolina	132	---	131	*	279	168	8	718	22
North Dakota	32	---	92	---	306	123	44	597	35
Ohio	25	75	78	191 ¹⁰	362	86	60	705	26
Oklahoma	23	---	70	53	215	128	52	541	42
Oregon	176	---	---	---	109	92	36	413	47
Pennsylvania	150	276	66	---	427	117	72	1,108	5
Rhode Island	0	---	120	---	628	301	72 ⁴	1,121	3
South Carolina	87	---	144	---	233	184	24	672	31
South Dakota	---	---	157	39	413	123	48	780	19
Tennessee	---	---	147 ¹¹	51	221	109	56 ⁴	584	36
Texas	---	---	89	22	211	146	74	542	41
Utah	107	---	182	*	184	168	32	673	30
Vermont	11	---	54	---	338 ⁸	125	48	576	37
Virginia	84	---	125	*	209	230	50 ⁴	698	27
Washington	---	---	183	*	178	184	64	609	34
West Virginia	93	---	105	---	79	165	48	490	43
Wisconsin	135	---	106	---	552 ⁸	90	64	947	8
Wyoming	---	---	116	---	243	164	32	555	39

Note: See footnotes following Table 4.

Table 1 shows the relative tax burden for a hypothetical family of four with an income of \$7,500. In terms of total tax burden this family would pay lower taxes in only four other states—Louisiana, Minnesota, New Mexico, and Oregon—compared to Florida. Even sales tax payments by this family would be relatively low in Florida, ranking thirty-eighth.

Table 2 provides a similar analysis for a hypothetical family of four with a \$15,000

family income. Nowhere else in the United States is the state and local tax burden lower for such a family. Property tax burdens are also low, with forty-five states having higher property tax burdens than Florida.

Tables 3 and 4 describe the tax-burden situation for families with incomes of \$25,000 and \$50,000 respectively. The conclusions are just the same as in the case of the \$15,000 income family. Florida ranks lowest

Table 2.—Family tax burdens by type of tax and state of residence (largest city of each state) for family with \$15,000 adjusted gross income

State ¹	Individual income		General sales		Residential property	Motor vehicle ²	Cigarette excise	Total tax burden	
	State	Local	State	Local				Rank ³	
Alabama	\$224	\$150	\$202	\$101	\$ 173	\$141	\$64 ⁴	\$1,055	32
Arizona	220	---	217	54	460	172	52	1,155	23
Arkansas	261	---	167	---	328	159	71	986	35
California	171	---	220	*	715	153	40	1,299	17
Colorado	164	---	160	160	419	135	40	1,076	28
Connecticut	---	---	223	---	973	300	84	1,580	8
Delaware	405	187	---	---	561	113	56	1,322	14
FLORIDA	---	---	152	---	318	118	68	656	48
Georgia	181	---	177	59	482	174	48	1,121	25
Idaho	271	---	155	---	479	122	36	1,063	30
Illinois	275	---	255	*	523	139	68 ⁴	1,260	20
Indiana	250	---	171	---	662	209	24	1,316	15
Iowa	355	---	138	---	674	133	52	1,352	12
Kansas	181	---	185	---	488	168	44	1,066	29
Kentucky	307	330 ⁶	201	---	413	155	12	1,418	11
Louisiana	138	---	119	119 ⁷	145	101	44	666	47
Maine	103	---	189	---	806	169	64	1,331	13
Maryland	338	169	151	---	800	123	40	1,621	7
Massachusetts	497	---	75	---	1,200	273	84	2,129	1
Michigan	116	252	159	---	753 ⁸	116	44	1,440	9
Minnesota	724	---	115	---	234	137	72	1,282	19
Mississippi	106	---	205	---	394	213	44	962	36
Missouri	155	150	170	56	517	183	64 ⁴	1,295	18
Montana	332	---	---	---	422	159	48	961	37
Nebraska	200	---	148	59	655	201	52	1,315	16
Nevada	---	---	168	*	413	124	40	745	44
New Hampshire	---	---	---	---	980	168	48	1,196	21
New Jersey	220	---	134	---	1,187	130	76	1,747	5
New Mexico	13	---	251	---	419	97	48	828	39
New York	354	149	177	177 ⁹	602	133	92 ⁴	1,684	6
North Carolina	381	---	201	*	434	168	8	1,192	22
North Dakota	158	---	154	---	476	123	44	955	38
Ohio	123	150	134	341 ¹⁰	564	86	60	1,151	24
Oklahoma	91	---	109	82	334	128	52	796	42
Oregon	301	---	---	---	622	92	36	1,051	33
Pennsylvania	300	571	126	---	665	117	72	1,851	3
Rhode Island	235	---	195	---	977	301	72	1,780	4
South Carolina	245	---	221	---	362	184	24	1,045	34
South Dakota	---	---	237	59	643	123	48	1,110	26
Tennessee	---	---	226 ¹¹	79	343	109	56 ⁴	813	40
Texas	---	---	144	36	328	146	74	728	45
Utah	308	---	268	*	267	168	32	1,063	30
Vermont	345	---	89	---	825 ⁵	125	48	1,432	10
Virginia	308	---	192	*	324	230	50 ⁴	1,104	27
Washington	---	---	272	*	277	184	64	797	41
West Virginia	198	---	162	---	123	165	48	696	46
Wisconsin	551	---	176	---	1,042	90	64	1,923	2
Wyoming	---	---	172	---	378	164	32	746	43

Note: See footnotes following Table 4.

in total tax burden and is low for the property tax, with forty-five states having higher property tax burdens.

Table 5 expresses total tax burdens as a percentage of the average for all forty-eight states. Thus, Florida's total taxes per capita (column one) are 84 percent of the average for all states. On this per capita tax basis Florida ranks thirty-ninth among the states. In terms of adjusted gross income for a family of four Florida's tax burden ranks even lower. It

is only 59 percent of the national average for families earning \$7,500 and 33 percent of the national average for families with incomes of \$50,000.

Table 6 shows the distribution of taxes by state and by income class. The regressive nature of Florida's tax structure is obvious. A family earning \$7,500 pays 6.4 percent of its income in state and local taxes while a family earning \$50,000 pays just 2.5 percent of its income for state and local taxes.

Table 3.—Family tax burdens by type of tax and state of residence (largest city of each state) for family with \$25,000 adjusted gross income

State ¹	Individual income		General sales		Residential property	Motor vehicle ²	Cigarette excise	Total tax burden	Rank ³
	State	Local	State	Local					
Alabama	\$ 573	\$250	\$262	\$131	\$ 247	\$141	\$64 ⁴	\$1,668	33
Arizona	616	---	278	70	657	172	52	1,845	24
Arkansas	726	---	216	---	468	159	71	1,640	36
California	636	---	295	*	1,021	153	40	2,145	16
Colorado	653	---	205	205	598	135	40	1,836	26
Connecticut	---	---	305	---	1,390	300	84	2,079	17
Delaware	1,172	312	---	---	801	113	56	2,454	10
FLORIDA	---	---	201	---	454	118	68	841	48
Georgia	669	---	229	76	688	174	48	1,884	22
Idaho	906	---	200	---	684	122	36	1,948	21
Illinois	525	---	325	*	747	139	68 ⁴	1,804	28
Indiana	450	---	228	---	945	209	24	1,856	23
Iowa	861	---	185	---	963	133	52	2,194	14
Kansas	499	---	238	---	697	168	44	1,646	35
Kentucky	726	550 ⁶	266	---	589	155	12	2,298	12
Louisiana	247	---	160	160 ⁷	207	101	44	919	47
Maine	513	---	250	---	1,152	169	64	2,148	15
Maryland	774	387	205	---	1,143	123	40	2,672	5
Massachusetts	1,012	---	102	---	1,714	273	84	3,185	2
Michigan	354	452	212	---	1,150 ⁸	116	44	2,328	11
Minnesota	1,668	---	154	---	503 ⁸	137	72	2,534	7
Mississippi	444	---	395	---	562	213	44	1,658	34
Missouri	531	250	217	72	738	183	64 ⁴	2,055	18
Montana	907	---	---	---	603	159	48	1,717	32
Nebraska	514	---	190	76	936	201	52	1,969	20
Nevada	---	---	217	*	589	124	40	970	44
New Hampshire	---	---	---	---	1,399	168	48	1,615	37
New Jersey	425	---	185	---	1,696	130	76	2,512	8
New Mexico	355	---	322	---	598	97	48	1,420	39
New York	1,091	392	233	237 ⁹	859	133	92 ⁴	3,037	3
North Carolina	982	---	261	*	621	168	8	2,040	19
North Dakota	769	---	205	---	679	123	44	1,820	27
Ohio	372	250	182	46 ¹⁰	805	86	60	1,801	29
Oklahoma	439	---	142	107	477	128	52	1,345	40
Oregon	1,066	---	---	---	1,053	92	36	2,247	13
Pennsylvania	500	952	176	---	949	117	72	2,766	4
Rhode Island	531	---	259	---	1,395	301	72	2,558	6
South Carolina	833	---	286	---	517	184	24	1,844	25
South Dakota	---	---	306	77	918	123	48	1,472	38
Tennessee	---	---	294 ¹¹	103	490	109	56 ⁴	1,052	42
Texas	---	---	191	48	468	146	74	927	46
Utah	841	---	344	*	409	168	32	1,794	30
Vermont	780	---	119	---	1,395 ⁴	125	48 ⁴	2,467	9
Virginia	785	---	249	*	463	230	50	1,777	31
Washington	---	---	352	*	396	184	64	996	43
West Virginia	468	---	211	---	175	165	48	1,067	41
Wisconsin	1,411	---	235	---	1,489	90	64	3,289	1
Wyoming	---	---	220	---	540	164	32	956	45

Note: See footnotes following Table 4.

Table 4.—Family tax burdens by type of tax and state of residence (largest city of each state) for family with \$50,000 adjusted gross income

State ¹	Individual income		General sales		Residential property	Motor vehicle ²	Cigarette excise	Total tax burden	Rank ³
	State	Local	State	Local					
Alabama	\$1,313	\$ 500	\$380	\$190	\$ 412	\$141	\$64 ⁴	\$3,000	38
Arizona	1,712	---	405	101	1,095	172	52	3,537	26
Arkansas	2,232	---	314	---	780	159	71	3,556	24
California	2,818	---	429	*	1,702	153	40	5,142	8
Colorado	1,787	---	298	298	997	135	40	3,555	25
Connecticut	---	---	443	---	2,317	300	84	3,144	33
Delaware	3,543	625	---	---	1,335	113	56	5,675	5
FLORIDA	---	---	293	---	757	118	68	1,236	48
Georgia	2,004	---	333	111	1,147	174	48	3,817	21
Idaho	2,574	---	291	---	1,140	122	36	4,163	17
Illinois	1,150	---	472	*	1,245	139	68 ⁴	3,074	36
Indiana	950	---	331	---	1,575	209	24	3,089	35
Iowa	2,242	---	269	---	1,605	133	52	4,301	15
Kansas	1,542	---	346	---	1,162	168	44	3,265	31
Kentucky	1,614	1,100 ⁶	387	---	982	155	12	4,250	16
Louisiana	742	---	232	232 ⁷	345	101	44	1,696	42
Maine	2,331	---	363	---	1,920	169	64	4,847	12
Maryland	1,886	943	293	---	1,905	123	40	5,190	7
Massachusetts	2,313	---	149	---	2,857	273	84	5,676	4
Michigan	1,299	942	309	---	2,091 ⁸	116	44	4,801	13
Minnesota	3,855	---	224	---	1,400 ⁸	137	72	5,688	3
Mississippi	1,339	---	574	---	937	213	44	3,107	34
Missouri	1,419	500	315	105	1,230	183	64 ⁴	3,816	22
Montana	2,246	---	---	---	1,005	159	48	3,458	28
Nebraska	1,854	---	277	111	1,560	201	52	4,055	19
Nevada	---	---	315	*	982	124	40	1,461	44
New Hampshire	---	---	---	---	2,332	160	48	2,548	39
New Jersey	1,050	---	269	---	2,827	130	76	4,352	14
New Mexico	1,808	---	469	---	997	97	48	3,419	29
New York	4,239	1,300	339	340 ⁹	1,432	133	92 ⁴	7,875	1
North Carolina	2,545	---	379	*	1,035	168	8	4,135	18
North Dakota	2,161	---	298	---	1,132	123	44	3,758	23
Ohio	1,159	500	264	66 ¹⁰	1,342	86	60	3,477	32
Oklahoma	1,677	---	206	155	795	128	52	3,013	37
Oregon	3,103	---	---	---	1,755	92	36	4,986	9
Pennsylvania	1,000	1,905	256	---	1,582	117	72	4,932	10
Rhode Island	1,796	---	376	---	2,325	301	72	4,870	11
South Carolina	2,390	---	416	---	862	184	24	3,876	20
South Dakota	---	---	445	111	1,530	123	48	2,257	41
Tennessee	---	---	427 ¹¹	149	817	109	56 ⁴	1,558	43
Texas	---	---	278	70	780	146	74	1,348	47
Utah	1,988	---	501	*	682	168	32	3,371	30
Vermont	2,641	---	173	---	2,325	125	48	5,312	6
Virginia	2,064	---	362	*	772	230	50 ⁴	3,478	27
Washington	---	---	512	*	660	184	64	1,420	45
West Virginia	1,509	---	307	---	292	165	48	2,321	40
Wisconsin	3,687	---	342	---	2,482	90	64	6,665	2
Wyoming	---	---	320	---	900	164	32	1,416	46

*Local sales tax included in state estimate.

¹ The largest cities follow in the order of the states listed: Birmingham, Phoenix, Little Rock, Los Angeles, Denver, Hartford, Wilmington, Jacksonville, Atlanta, Boise, Chicago, Indianapolis, Des Moines, Wichita, Louisville, New Orleans, Portland, Baltimore, Boston, Detroit, Minneapolis, Biloxi, St.

Louis, Billings, Omaha, Las Vegas, Manchester, Newark, Albuquerque, New York, Charlotte, Fargo, Cleveland, Oklahoma City, Portland, Philadelphia, Providence, Columbia, Sioux Falls, Memphis, Houston, Salt Lake City, Burlington, Norfolk, Seattle, Huntington, Milwaukee, Cheyenne. In the case of Mississippi, tax burdens are based on Biloxi because reliable property tax data comparable to that used for other states were not available for Jackson.

² Includes state gasoline tax, registration fees, personal property tax, and any other tax levied in lieu of a property tax.

³ States are ranked from high to low, with the highest tax state assigned the number 1 and the lowest tax state the number 48.

⁴ Estimate includes local cigarette excise.

⁵ Negative figures reflect excess of credits for sales tax on food or utilities over state income tax liability.

⁶ Includes one and one-fourth percent levied by the city of Louisville, three-fourths percent levied for schools, and two-tenths percent transit authority tax.

⁷ Includes both the 2 percent New Orleans sales tax and the 1 percent tax levied for New Orleans Parish School Board.

⁸ Reflects adjustment for property tax "circuit-breaker."

⁹ Includes an adjustment for personal services taxed after February 29, 1976.

¹⁰ Includes the 1 percent regional transit tax levied in Cuyahoga County.

¹¹ Adjusted for increase from 3.5 to 4.5 percent in state tax rate effective April 1, 1976.

Source: Stephen E. Lile.

Conclusions

Tables 1 through 5 clearly show that Florida's tax burden is quite low relative to other states. Even the property tax burden is relatively low. Low taxes are one of Florida's positive attributes which continue to stimulate population growth and economic develop-

ment. Thus, the current clamor to lower taxes in Florida appears to be more of an emotional response to dissatisfaction with government in general than a response based upon an onerous state and local tax burden. This is not to imply that tax reform is unneeded or unnecessary in Florida. The state's tax structure cannot be judged as equitable since it is a fact that those with low incomes pay a higher per-

Table 5.—Relative tax burdens: family burdens compared by income level and with taxes per capita, largest city of forty-eight states, 1976 (percentage of forty-eight-state average)

State	Total taxes per capita fiscal 1976	Adjusted gross income, family of four, 1976					
		\$7,500	\$10,000	\$15,000	\$17,500	\$25,000	\$50,000
Alabama	68	94	91	89	89	88	80
Arizona	109	108	104	97	96	97	95
Arkansas	67	86	85	83	83	86	95
California	144	107	99	109	109	113	138
Colorado	108	97	97	91	93	97	95
Connecticut	116	154	141	133	124	110	84
Delaware	114	103	106	111	118	129	152
FLORIDA	84	65	59	55	51	44	33
Georgia	82	97	94	94	95	99	102
Idaho	88	77	82	89	94	103	112
Illinois	115	109	105	106	102	95	82
Indiana	88	117	111	110	106	98	83
Iowa	104	117	118	114	115	116	115
Kansas	97	94	90	90	88	87	87
Kentucky	82	117	121	119	120	121	114
Louisiana	91	51	53	56	54	48	45
Maine	100	120	113	112	110	113	130
Maryland	121	130	139	136	138	141	139
Massachusetts	134	178	175	179	174	168	152
Michigan	112	117	127	121	121	123	129
Minnesota	123	64	101	108	115	134	153
Mississippi	72	96	91	81	88	87	83
Missouri	85	111	108	109	108	108	102
Montana	106	85	88	81	83	90	93
Nebraska	98	104	103	110	107	104	109
Nevada	122	74	67	63	58	51	39
New Hampshire	85	115	105	100	94	85	68
New Jersey	118	151	145	147	141	132	117
New Mexico	89	62	63	70	70	75	92
New York	170	132	137	141	146	160	211
North Carolina	79	97	101	100	103	107	111
North Dakota	99	81	80	80	85	96	101
Ohio	87	96	93	97	95	95	93
Oklahoma	79	73	69	67	67	71	81
Oregon	105	56	79	88	111	118	134
Pennsylvania	102	150	149	155	151	146	132
Rhode Island	106	152	147	149	143	135	131
South Carolina	73	91	89	88	90	97	104
South Dakota	89	106	98	93	88	78	61
Tennessee	73	79	73	68	64	55	42
Texas	87	73	66	61	57	49	36
Utah	88	91	91	89	92	95	90
Vermont	111	78	93	120	126	130	142
Virginia	91	95	93	93	90	94	93
Washington	108	83	74	67	62	52	38
West Virginia	87	66	63	58	57	56	62
Wisconsin	118	128	154	161	165	173	179
Wyoming	126	75	68	63	58	50	38

Source: U.S. Bureau of Census, *Governmental Finances in 1975-76*, Table 22; computations by Stephen E. Lile.

centage in state and local taxes than do those with more income.

It is useful to close with some caveats. First, the interstate comparisons were based upon local tax data for the largest city in each state. Jacksonville was used in Florida. Thus, there will be some differences across cities within a state which are not analyzed. Second, the comparative analysis did not include

all taxes (utility and beverage taxes, for example), which may produce some bias. Finally, a hypothetical family of four does not equate to typical Florida families. Even so, the biases inherent to this type of analysis are not likely to be so great as to render the results invalid. Indeed, the results for Florida are so robust that one can have a good deal of confidence in them.

Table 6.—Distribution of major state and local tax burdens relative to family income size comparisons for largest city of each state, 1976 (tax burdens as percentage of income)

	Adjusted gross income, family of four					
	\$7,500	\$10,000	\$15,000	\$17,500	\$25,000	\$50,000
All states	9.8	9.1	7.9	7.9	7.6	7.5
Alabama	9.3	8.4	7.0	7.0	6.7	6.0
Arizona	10.6	9.5	7.7	7.6	7.4	7.1
Arkansas	8.4	7.7	6.6	6.6	6.6	7.1
California	10.5	9.0	8.7	8.6	8.6	10.3
Colorado	9.6	8.9	7.2	7.3	7.3	7.1
Connecticut	15.2	12.9	10.5	9.8	8.3	6.3
Delaware	10.1	9.7	8.8	9.3	9.8	11.3
FLORIDA	6.4	5.4	4.4	4.0	3.4	2.5
Georgia	9.5	8.6	7.5	7.5	7.5	7.6
Idaho	7.6	7.5	7.1	7.4	7.8	8.3
Illinois	10.7	9.6	8.4	8.0	7.2	6.1
Indiana	11.5	10.2	8.8	8.3	7.4	6.2
Iowa	11.6	10.8	9.0	9.1	8.8	8.6
Kansas	9.3	8.3	7.1	7.0	6.6	6.5
Kentucky	11.5	11.1	9.5	9.5	9.2	8.5
Louisiana	5.1	4.9	4.4	4.2	3.7	3.4
Maine	11.8	10.3	8.9	8.7	8.6	9.7
Maryland	12.8	12.7	10.8	10.9	10.7	10.4
Massachusetts	17.5	16.0	14.2	13.7	12.7	11.4
Michigan	11.5	11.6	9.6	9.6	9.3	9.6
Minnesota	6.3	9.3	8.5	9.1	10.1	11.4
Mississippi	9.4	8.3	6.4	7.0	6.6	6.2
Missouri	10.9	9.8	8.6	8.5	8.2	7.6
Montana	8.4	8.1	6.4	6.6	6.9	6.9
Nebraska	10.2	9.4	8.8	8.5	7.9	8.1
Nevada	7.3	6.1	5.0	4.6	3.9	2.9
New Hampshire	11.3	9.6	8.0	7.5	6.5	5.1
New Jersey	14.8	13.3	11.6	11.1	10.0	8.7
New Mexico	6.1	5.7	5.5	5.6	5.7	6.8
New York	13.0	12.5	11.2	11.5	12.1	15.8
North Carolina	9.6	9.2	7.9	8.1	8.2	8.3
North Dakota	8.0	7.3	6.4	6.7	7.3	7.5
Ohio	9.4	8.5	7.7	7.5	7.2	7.0
Oklahoma	7.2	6.3	5.3	5.3	5.4	6.0
Oregon	5.5	7.2	7.0	8.7	9.0	10.0
Pennsylvania	14.8	13.6	12.3	11.9	11.1	9.9
Rhode Island	14.9	13.4	11.9	11.3	10.2	9.7
South Carolina	9.0	8.1	7.0	7.1	7.4	7.8
South Dakota	10.4	8.9	7.4	6.9	5.9	4.5
Tennessee	7.8	6.7	5.4	5.0	4.2	3.1
Texas	7.2	5.1	4.9	4.5	3.7	2.7
Utah	9.0	8.3	7.1	7.2	7.2	6.7
Vermont	7.7	8.5	9.5	10.1	9.9	10.6
Virginia	9.3	8.5	7.4	7.1	7.1	7.0
Washington	8.1	6.8	5.3	4.9	4.0	2.8
West Virginia	6.5	5.8	4.6	4.5	4.3	4.6
Wisconsin	12.6	14.1	12.8	13.0	13.2	13.3
Wyoming	7.4	6.2	5.0	4.6	3.8	2.8

Source: Stephen E. Lile.

Sources of information

More and more people are in need of more and more economic and demographic information than ever before. Fortunately, more and more state, federal, and private organizations stand ready to meet this demand for information. The problem frequently is to get the people in need of data in touch with the agency or the report that can provide the data. Bridging this gap between the user and the data continues to be one of the central functions of the Bureau of Economic and Business Research at the University of Florida.

The most recent data available to the Bureau will be ready for distribution by November, 1979, in the thirteenth annual edition of the **Florida Statistical Abstract**, a compendium of economic, social, and demographic information about the state, counties, Standard Metropolitan Statistical Areas, and cities of Florida.

The intent of the *Abstract* is to collect, organize, and disseminate Florida data collected from as many federal, state, and private sources as possible, along with the data generated and collected in Bureau research. The *Abstract* presents as much statistical information as possible in tabular form, and in addition serves as a guidebook to the sources from which the statistics have been taken.

The migration of older people into Florida continues to be a major factor in the state's rapid population growth. The largest percentage increases in the past twenty years have been in the 60-and-older and 65-and-older age groups, which currently encompass approximately 24 percent and 18 percent, respectively, of Florida's population. The economic impact of this influx of older age groups into the state is of vital importance to the future development of Florida's cultural, health, governmental, natural, and business environments.

Analysis and statistical breakdown of these increases appear in the second biennial edition of **Older People in Florida: A Statistical Abstract 1978**. Prepared by the Center for Gerontological Studies at the University of Florida, the abstract contains information on persons aged 60 and over and 65 and older in Florida, including age, race, sex, and marital distributions.

Included are data based on county, Standard Metropolitan Statistical Area, state, and national levels, divided into nine chapters: Population and Forecasts; Income and Poverty; Employment and Labor Force; Vital Statistics and Health; Housing; Transportation; Social Insurance; Social Indicators and Quality of Life; and Health, Education, and Cultural Services.

Rumors of foreign takeovers of United States business firms are whispered about more frequently these days. Scenarios suggest that before too long thousands of Americans will be working for Arabs, while hundreds of Floridians will be paying their rents to Latin Americans. A survey of the facts pertaining to this subject is, therefore, most welcome. Mira Watkins, a professor of economics at Florida International University, has engaged in a thorough analysis of available data and has presented her findings in a book entitled **Foreign Enterprise in Florida: The Impact of Non-U.S. Direct Investment**. Ms. Watkins' study was financed by a grant from the State University System.

Since non-U. S. enterprises are not required to register with any central agency or disclose their origins to the public there is no automatic collection of the pertinent information. It is not astonishing that the author believes her estimates to be on the low side. However they are quite extensive and are categorized by the nature of the investment, nationality of the investor, industrial classification and region within Florida. Anyone interested in this topic will discover this book to be both comprehensive and objective in its coverage.

To order: The sources listed above can be ordered from the University Presses of Florida, 15 NW 15th Street, Gainesville 32603. (Make checks payable to University Presses of Florida; Florida residents please add 4% sales tax.) **Prices:** *Florida Statistical Abstract 1979*—cloth, \$17.50, plus \$0.75 postage; paper, \$10.75, plus \$0.75 postage. *Older People in Florida: A Statistical Abstract 1978*—\$10.00; *Foreign Enterprise in Florida*—\$15.00.



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